



Daily Report

East Asia

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DPRK's UN Envoy Warns Against Sanctions

SK0506011593 Seoul TONG-A ILBO in Korean
5 Jun 93 p 1

[Article by Tokyo-based correspondent Pae In-chun]

[Text] On 4 June, the Japanese press, citing UN sources, reports the following: On 3 June, Pak Kil-yon, North Korea's ambassador to the United Nations, visited the chairman of the UN Security Council. He warned that "If the United Nations imposes economic sanctions on North Korea in connection with the issue concerning North Korea's withdrawal from the Nuclear Nonproliferation Treaty, this will bring about a destructive outcome." He said "I do not want the June of 43 years ago (the Korean war) to recur."

Shortly after the North Korean ambassador's remarks, Madeleine Albright, U.S. ambassador to the United Nations, revealed: "North Korea-U.S. high-level talks will not proceed well. Because the North Korean side's remarks are grave, I will convey his remarks to the U.S. Government."

IAEA To Discuss DPRK Nuclear Problem

SK0706015493 Seoul YONHAP in English 0124 GMT
7 Jun 93

[Text] Vienna, June 7 (YONHAP)—The Board of Governors of the International Atomic Energy Agency (IAEA) is to touch on the North Korean nuclear problem and 20 other issues in a five-day meeting that started on Sunday [6 June].

The governors will focus on Pyongyang's refusal to allow a special inspection of two suspected nuclear sites in Yongbyon and its withdrawal from the Nuclear Nonproliferation Treaty (NPT) in addition to the problem of drawing up a budget and projects and ways to strengthen nuclear safety.

The Austria-based IAEA was to discuss the North Korean nuclear question around Tuesday as the eighth item on the agenda, but has decided to wait for the results of the third round of the Pyongyang-Washington talks, due to take place before June 12, when North Korea's announcement it is leaving the global nuclear safeguards becomes effective.

Robert Gallucci, assistant U.S. secretary of state for political and military affairs, met with his North Korean counterpart, First Vice Foreign Minister Kang Sok-chu, twice, on June 2 and 4, in New York and they spent more than 19 hours trying without success to resolve the issue.

The IAEA board agreed to discuss the issue Thursday or Friday as there was talk of a third U.S.-North Korea meeting on Thursday and possible inter-Korean dialogue in between, an IAEA source said.

They will conclude whether North Korea's announcement March 12 to leave the NPT should take effect on Saturday, three months from the date, even though it failed to comply with a treaty provision that says NPT-bound countries must notify all signatories and the U.N. Security Council three months before they leave.

Another IAEA source points out that North Korea's withdrawal becomes effective only after the so-called depository countries, the United States, Britain and Russia, make official notice to the IAEA Secretariat.

The IAEA Secretariat argues that North Korea remains in the NPT because Pyongyang has not notified the other 150 signatories and the IAEA has received no notice from the depository nations, the source says.

The IAEA is expected to discuss this interpretation if the U.S.-North Korea talks break down, but has difficulty finding a solution to the problem beyond repeating its earlier urgings for North Korea to retract its announcement and accept the special inspections, the sources say.

Japan

Tokyo 'Vigorously Opposes' U.S. Trade Blueprint

OW0806033293 Tokyo KYODO in English 0324 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—Japan vigorously opposes a U.S. blueprint for "results-oriented" trade policy with Tokyo, setting specific goals to increase U.S. exports to Japan, government officials said Tuesday. The U.S. Government mapped out the blueprint on Monday [7 June], setting the stage for a direct clash this week between the two countries.

The blueprint includes a new trade framework between the United States and Japan, calling on Japan to take steps to cut its trade surplus in the next few years.

A Finance Ministry official said, "It is not the government's job to promise to attain trade goals in terms of specific figures." He said Japan will urge the U.S. not to cite specific targets in the proposal when senior officials of both countries have their meeting in Washington on Friday.

Washington has demanded that Japan set goals to increase U.S. exports, particularly for the auto industry, high-tech products and financial services. The Japanese Government has repeatedly criticized such moves as setting a protectionist trend.

An official of the Ministry of International Trade and Industry said, "If the U.S. persists in setting goals to reduce Japan's trade surplus, we will ask the U.S. Government to come up with figures showing it is trimming its budget deficit."

Prime Minister Kiichi Miyazawa, meanwhile, told the House of Councillors Budget Committee that Japan will oppose the U.S. trade policy stance, which it considers to be impractical.

In the market economy, it is undesirable to control exports and imports, Miyazawa said, adding it also is impossible to predict growth of Japan's gross domestic product.

Hayashi on Talks With U.S., Budget, Russia

OW0806020493 Tokyo KYODO in English 0153 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—Finance Minister Yoshiro Hayashi said Tuesday he hopes that Japan-U.S. negotiations this weekend will lead to stabilizing the dollar-yen exchange rate.

Hayashi, speaking at a regular news conference, said further bilateral talks should lead to showing the market that the United States is not simply looking forward to the yen's appreciation since "the U.S. will also be in trouble if the yen gets too strong." He also said the

market seems to be "a little tired," referring to the rather moderate range of trading between the two currencies this week.

The yen settled at the 107 level to the dollar after continuously plummeting from around 125 yen in early February.

The finance minister said Japan and the U.S. will exchange views on economic problems based on the principle of free trade. A high-level meeting is scheduled Friday.

The U.S. has called for a results-oriented trade policy to whittle down Japan's huge trade surplus, which Tokyo has interpreted and criticized as a move to control trade.

Japanese officials say the country's soaring trade surplus is mainly due to the appreciation of the yen against the dollar and sluggish imports hit by the slowdown of the domestic economy.

Hayashi said he "sees moves toward recovery" and that Japan is "not in a condition where things are getting worse or wading at the bottom." But he refrained from commenting on whether the economy has really bottomed out.

The supplementary budget for the current fiscal year, which will partly fund the government's 13.2 trillion yen pump-priming package announced in April, is expected to pass the Diet Tuesday night.

While there may be signs of economic revival, the government is likely to face a shortfall of tax income for fiscal 1992 because of sagging revenues from personal income tax and corporate levies.

The Finance Ministry announced Monday that tax revenues at the end of April plunged 31.4 percent from the year before, making the aggregate sum of tax income for the fiscal year 8.9 percent less than the previous year. Payments for fiscal 1992 were due May 31.

Hayashi said he still needs to see final figures but was pessimistic about accomplishing the budgeted target in light of the shortfall so far.

With regard to the summit meeting by leaders of the Group of Seven (G-7) major economies next month in Tokyo, Hayashi said further assistance to Russia will be one of the topics for discussion, but the issue of creating a 4 billion dollar fund to facilitate privatization in Russia has not been agreed yet by the G-7.

He also said no specific decision has been made yet on the possible establishment of a G-7 office in Moscow to promote its aid to Russia.

Tokyo Seeks Talks With U.S. on Steel Dumping

OW0806123793 Tokyo KYODO in English 1209 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—Japan has proposed to the United States bilateral negotiations on a U.S. decision to impose penalty duties on Japanese steel imports under the antidumping law, government sources said Tuesday.

The sources said the two countries will hold one or two sessions before late July when the U.S. International Trade Commission is to make a final decision on a dumping petition filed by U.S. steelmakers against Japanese steel imports.

The commission ruled last week there were indications that steel rod imported from Japan and some other countries was sold at unfair prices in the U.S., injuring the U.S. industry. The U.S. Commerce Department ruled in January that steel products imported from Japan were dumped in the U.S., hurting the domestic industry.

If the bilateral negotiations fail to produce accord, the dispute will be reviewed by an arbitration panel of the Paris-based General Agreement on Tariffs and Trade (GATT).

In the talks, the sources said, Japan will dispute the U.S. allegations, citing the fact that Japanese steel exports to the U.S. consist mostly of special types which do not compete against U.S. products. Japan will also insist that Japanese steel exports to the U.S. had been limited under voluntary restraint until last March and that its steel shipments to the U.S. market have decreased in recent years, the sources said.

Brazil, the European Community, Finland and Sweden have also proposed bilateral talks with the U.S. on the issue. GATT has decided to set up a special panel to review the U.S.-EC dispute.

Construction Talks With U.S. Set for 14-15 Jun

OW0806103293 Tokyo KYODO in English 1015 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—Japan and the United States will hold talks on Japan's construction market next Monday [14 June] and Tuesday in Washington, Foreign Ministry officials said Tuesday.

The meeting is part of regular follow-up talks on bilateral construction agreements made in 1988 and 1991 under which Japan pledged greater foreign access to major projects. The last such talks were held in March.

The Japanese delegation will be headed by Kenichiro Sasae, director of the ministry's second North America division. His U.S. counterpart will be Marjory Searing, a deputy assistant secretary in the Commerce Department.

The U.S. Government has criticized Japan's bidding system for awarding of public works contracts as unfair and lacking transparency, alleging that it hinders U.S. companies' entry into the Japanese market.

Under Japan's "designated bidding" system, builders seeking public works contracts must be certified by a local or national government as qualified tenderers.

Under the U.S. system, any company that claims it will meet the required job specifications can participate in the bidding. But Japanese critics of the U.S. system say public works projects in the U.S. are plagued by sloppy construction by companies that have won contracts for projects that are beyond their technological capabilities.

U.S. Trade Representative Mickey Kantor charged April 30 that Japan's construction market is closed to foreign companies and gave Japan 60 days to begin addressing the problem or face retaliation.

Last month, top U.S. trade negotiator Ira Wolf warned in Tokyo that the U.S. Government will impose sanctions if Japan does not further open its construction market to foreign contractors. Construction Minister Kishiro Nakamura subsequently said he has no plans to review Japan's public works bidding system even if requested to do so by the U.S.

Poll: Majority Have 'Bad Impression' of Clinton

OW0706000493 Tokyo KYODO in English 2304 GMT
6 Jun 93

[Text] Tokyo, June 6 KYODO—Popularity of U.S. President Bill Clinton has plunged in Japan with more than half of the people surveyed saying they have a bad impression of him, according to a poll released Sunday by a private research company.

The survey, conducted in May by Japan Research Center, showed that those who have a favorable impression of the President dropped to 44 percent from 62 percent in the previous poll conducted in February. Those who did not have a favorable impression amounted to 51 percent, the survey said.

The survey found that 5 percent of those polled have confidence in Clinton's trade policies toward Japan, while 56 percent do not.

Fifteen percent expect Clinton to show leadership in international politics, while 38 percent said they do not, the survey said.

The company polled 2,000 men and women aged 18 or older and received responses from 69 percent, the company said.

Think Tank Urges U.S. Change Rights Diplomacy*OW0806091293 Tokyo KYODO in English 0808 GMT 8 Jun 93*

[Text] Tokyo, June 8 KYODO—The United States should change its overzealous human rights diplomacy in dealing with China and Vietnam, a private Japanese think tank said Tuesday. In a policy proposal entitled "The Change in Socialist Economy in Asia and Japan's Reaction," the Japan forum on International Relations Inc. gave credit to China and Vietnam for their open-door policies.

The think tank also demanded an about-face of the U.S. foreign policy under the administration of President Bill Clinton, which it said overly emphasizes the human rights records of the two countries.

While acknowledging that China has some shortcomings in the areas of democracy and human rights, its open-door policy line has reached the point of no return, the think tank said in the proposal submitted to Prime Minister Kiichi Miyazawa.

Vietnam, like other Asian countries, is also on the road to democracy from the current economic growth-oriented policy and will soon reach the same point as China's, the research institution said.

The think tank also called for promotion of political dialogue between the U.S. and the two countries.

Warning North Korea could see a collapse of its government as Romania did in 1989, it suggested that Pyongyang open itself to the outside world and that support be given to reformists within the country's communist government to help North Korea blend in with the international community.

The think tank, established in 1987, has presented previous policy proposals to prime ministers. The latest proposal was formulated by a four-member panel, chaired by Seizaburo Sato, a political science professor at Tokyo's Keio University.

Machine Tool Manufacturers Boost Parts Imports*OW0606004893 Tokyo KYODO in English 0004 GMT 6 Jun 93*

[Text] Tokyo, June 6 KYODO—Major Japanese machine tool manufacturers are to boost parts imports and overseas production to cope with a stronger yen, the NIHON KEIZAI SHIMBUN said Sunday.

Hitachi Seiki Co. has started importing lathe parts from its U.S. subsidiary at a monthly rate of 10 to 15 units and plans to boost such imports substantially, the leading business daily said.

Okamoto Machine Tool Works Ltd., Japan's largest specialist maker of surface grinders, is importing castings for surface grinders from its plant in Thailand.

Sodick Co., a specialized maker of numerical control electrodischargers, is to double the number of discharger models produced in Thailand to four, the daily said.

Japanese machine tool makers started raising export prices for their products in April. They believe price increases are not enough to cope with a high yen, the newspaper said.

Muto Interviewed on Cambodian Peacekeeping*OW0606203193*

[Editorial Report] Tokyo FNN Television Network in Japanese at 2315 GMT on 29 May 93 in its weekly "News 2001" program carries an 11-minute interview with Foreign Minister Kabuo Muto. The program is moderated by newscasters Yuji Kuroiwa and Kaori Matsuyama and features its regular guests—freelance commentator Kenichi Takemura and Keio University Professor Yoshiaki Kobayashi.

Newscaster Matsuyama opens the interview by asking Muto to grade himself in terms of his performance as foreign minister. Muto, who once told reporters he gave himself a score of 80 as a novice foreign minister, replies: "There has been no progress; the score remains the same—80 points."

Newscaster Kuroiwa then asks Muto about Japan's ongoing peacekeeping operations in Cambodia: "We can say that the general election went well, that it proceeded safely without any serious occurrences. Of course, there were some victims, but since then, the situation has not turned for the worse. Therefore, we can say this is all well and good. Nevertheless, we must ask the question of whether it is really all right to consider this matter as being over and done with. Sure, there have been no more victims, but we are still left with the feeling that things did not go right there. How do you interpret this, Mr. Foreign Minister?"

Muto begins replies: "First, there was the death of Mr. Nakada, a volunteer, and then Mr. Takada from the civilian police force became a victim. We called on the UN Transitional Authority in Cambodia [UNTAC] to implement measures to improve security. I agree there is something we will have to do in this regard, even though it may be too late to be of any value in Cambodia.

"For instance, when the Diet deliberated on the Peacekeeping Operations [PKO] Bill, apparently it devoted much time to discussing questions related to the Self-Defense Forces [SDF], but it did not necessarily devote enough time to the question of how to ensure the security of civilian policemen and other civilian personnel. This is how I feel. The Diet should frankly admit that it failed to give full consideration to the matter, and it should deal with this issue from here on out."

The moderator asks: "Why is PKO necessary?" He goes on to ask Muto to outline his views as both foreign

minister and as a politician on how future discussions on PKO participation should be conducted.

Muto says: "By all means, our participation in PKO must solely be devoted to international operations aimed at maintaining peace. As far as Japan is concerned, it must not participate in those parts of PKO known as peacekeeping forces. First, there must be an agreement on a cease-fire, and Japan should only participate in the logistics of restoring peace.

"Of course, for us to carry out our PKO efforts, the participation of SDF personnel will be necessary, but the participation of civilians should also be welcome. In the future, there will arise the question of how we can ensure security for these people. We should think about this. I do not agree to the view that we must withdraw immediately because our people have been killed. This kind of behavior should not be permitted after we have come this far. Our people are there to make contributions to world peace. Even our Constitution asserts that we want to occupy an honored place in an international community that strives for the preservation of peace.

"Even when speaking in terms of the spirit of the Constitution, it is certain that Japan must do its part to cooperate in securing world peace—that is, within the scope of the Constitution."

Newscaster Kuroiwa goes on to insist that the Japanese people do not yet understand why two Japanese had to die in Cambodia. Muto replies by saying: "When I think about the two victims, I recall that what happened was necessary to restore peace to Cambodia. In fact, only when we realize this can we find meaning in the deaths of these two people. If, in the end, it turns out that peace is not restored in Cambodia, then we must really ask the question why our people had to die there."

Kuroiwa asks: "Would you say that efforts made for the sake of peace in Cambodia are indeed efforts for the sake of peace in Japan?"

"These efforts are not only for peace in Japan," Muto says. "After all, if peace is restored in Cambodia, Asia will become a peaceful region. If Asia becomes a peaceful place, this will contribute to making the entire world a peaceful place. Therefore, I can say that these efforts are being made for the sake of world peace."

Later, the moderator solicits a question from the television audience, and a commentator identified as Tsutomu Nishibe addresses a question to Muto from what appears to be his home in Higashimurayama.

Nishibe asks: "In terms of Japan's international contributions, it seems that many of them are aimed at meeting the demands of foreign countries, particularly the United States." Nishibe insists Japan needs to be more independent in establishing its policy on international contributions.

In disputing Nishibe's claim that Japan's policy on international contributions is influenced by outside pressure, Muto says: "I don't think this is necessarily the case. In the international community, Japanese can no longer be permitted to kid themselves into thinking that everything is all right as long as Japan is peaceful."

At 2314 GMT, commentator Takemura intervenes and discusses the need to educate the public about Japan's international contributions. The interview ends at 2326 GMT.

UN Request for Mozambique Monitors Refused

*OW0806025093 Tokyo KYODO in English 0234 GMT
8 Jun 93*

[Text] Tokyo, June 8 KYODO—Japan has refused a request by the United Nations to send 20 cease-fire monitors to Mozambique, Chief Cabinet Secretary Yohei Kono said Tuesday. Kono told a regular news conference that Japan will not comply with the request because Tokyo has already sent Self-Defense Forces personnel there for UN peacekeeping activities.

A 53-member SDF contingent arrived in Mozambique's capital of Maputo in mid-May to help out with transportation and serve as staff members at the UN peacekeeping headquarters.

'Most Japanese Cities' in DPRK Missile Range

*SK0806083693 Seoul YONHAP in English 0814 GMT
8 Jun 93*

[Text] Tokyo, June 8 (YONHAP)—North Korea has extended the range of its modified Scud-B missile, the Nodong No. 1, to 1,300 kilometers, a Japanese newspaper said Tuesday.

In a Washington-dated story, the SANKEI SHIMBUN quoted the Israeli ambassador to Washington as saying that "North Korea is selling Iran Nodong No.1 missiles of which range was extended by 300 km. If the report that the Nodong No. 1 has a 1,300 km range is true, most Japanese cities, including Tokyo, are within the reach of North Korean missiles," the SANKEI pointed out.

Israeli military officials were visiting Japan in succession to swap intelligence with the Japanese Government on North Korea's missile exports to Iran, the SANKEI said.

Tokyo Offers Assistance for Palestinians

*OW0706114893 Tokyo KYODO in English 0956 GMT
7 Jun 93*

[Text] Tokyo, June 7 KYODO—Japan has offered 1 billion yen in food assistance for Palestinians both inside and outside the Israeli-occupied territories, Foreign Ministry officials said Monday.

The officials said the assistance will be provided through the United Nations Relief and Works Agency for Palestinian refugees in the Near East (UNRWA). UNRWA will distribute wheat flour procured with the funds from the United States to Palestinians in the occupied West Bank and Gaza Strip, as well as to refugees in surrounding countries like Jordan and Syria, they said.

Japan provided 900 million yen for the same purpose last year and 1 billion yen the year before.

Japan last month pledged to give 3 million dollars in emergency aid to help improve the environmental conditions for Palestinians in the occupied territories.

Tokyo Offers Pakistan 1.3 Billion Yen in Aid

OW0706092793 Tokyo KYODO in English 0907 GMT 7 Jun 93

[Text] Tokyo, June 7 KYODO—Japan has offered Pakistan up to 1.35 billion yen worth of pesticides and machinery to help increase food production, the Foreign Ministry said Monday. Officials said representatives of the two countries exchanged diplomatic notes relating to the grant aid offer in Islamabad earlier in the day.

Notes were also exchanged relating to a Japanese grant of up to 410 million yen for the purchase in video equipment, which officials said would be used to record Pakistani dances and music for preservation and promotion of the country's culture.

5 Billion Yen Pledged to World Food Program

OW0706235493 Tokyo KYODO in English 2302 GMT 7 Jun 93

[Text] Tokyo, June 8 KYODO—Japan will provide up to 5 billion yen in food assistance for suffering populations in Africa and the former Yugoslavia, as well as Afghan refugees. Foreign Ministry officials said Tuesday. The officials said the pledge to the World Food Program (WFP), an organization under the umbrella of the United Nations, was finalized Monday at the WFP headquarters in Rome.

Africa will receive the largest portion, with 2.2 billion yen worth of U.S.-grown grain divided among refugees from Liberia, Togo, Sudan and Ethiopia, as well as displaced people in Rwanda. Also in Africa, 300 million yen worth of U.S. wheat and maize will be provided to Angola and the newly independent nation of Eritrea, while Liberia and Sierra Leone will share 300 million yen worth of Thai rice.

Refugees from Afghanistan will benefit from 1.2 billion yen worth of U.S. and Australian wheat, while those in the former Yugoslavia will be provided 1 billion yen worth of U.S. wheat flour.

The food aid offered Sudan comes in addition to a 1 billion yen pledge by Japan last Friday to pay the

transport costs of a WFP emergency relief operation in the south of the war-ravaged country.

LDP Faction Leader Hata on Political Reform

OW0706233493

[Editorial Report] Tokyo FNN Television Network in Japanese at 2236 GMT on 29 May carries, during its weekly "News 2001" program, a 39-minute interview with Tsutomu Hata, leader of the Liberal Democratic Party's (LDP) Hata faction and former finance minister. The program, which is moderated by Yuji Kuroiwa and Kaori Matsuyama, is attended by its regular guests—freelance commentator Kenichi Takemura and Keio University Professor Yoshiaki Kobayashi.

When asked to comment on moves toward a compromise between the LDP and opposition parties on political reform-related bills, Hata states: "Based on the results of a meeting of opposition party leaders' on Friday [28 May], Prime Minister Miyazawa has instructed LDP Secretary General Seiroku Kajiyama and leaders of the LDP Political Reform Promotion Headquarters to sound out the opposition parties' views before starting negotiations with them. Therefore, a full-fledged discussion on political reform will start from Monday." Later, citing different views within the LDP on how to proceed with political reform, Hata says he "feels a sense of crisis" about political reform.

Reviewing the past moves among the LDP and the opposition parties toward political reform, an unidentified FNN reporter says that it is unclear whether the LDP and the opposition parties can reach an accord on this issue.

Asked to give a message to Nagata-cho, where the Diet and the LDP headquarters are located, Hata touches on foreign media views on the current situation concerning political reform in Japan, saying he "fears Japan may be isolated in the international community" if the situation goes unchanged. Hata says: "What Japan is being told to do is to make drastic reform in various systems established during the 50 years since World War II. In the international arena, Japan is being requested to make various contributions."

On his resolution to carry out political reform, Hata says the electoral system should be reformed even if he runs the risk of losing his own parliamentary position as a result of the changes.

Takemura points out it is difficult for the general public to understand why the electoral system needs to be reformed. In reply, Hata says that, under the current electoral system, politicians need much money for an election campaign and, as a result, some politicians may accept illegal political donations.

Asked how Hata intends to change Japanese politics after achieving the electoral system reform, Hata touches

on the past Diet discussions on the peacekeeping operation issue and the introduction of consumption tax, and says: "At present, the truth is not being conveyed to the general public from the political circles." Hata notes the need for political power to be decentralized and for Japan to take an international role in various fields such as energy, the environment, and population issues. Hata adds: "There is a need to draw a clear line of demarcation between administration conducted by the central government and that at the local government level."

When one participant says that full discussions have not been conducted on the reform of the electoral system, Hata says that in-depth and substantial discussion is being held at the current Diet session.

Hata agrees with Takemura that it is necessary to establish an electoral system which will encourage people to participate in elections.

With regard to how new politics should be pursued in Japan, Hata points to the centralization of administrative power, and says: "The central government should not deal with issues involving monetary interests, but should, as I have said before, deal with the nation's basic issues such as diplomacy, security and exchange rates."

Asked about the possible formation of a new party, Hata refuses to comment on this issue, but stresses that political reform is the prime task.

Hiraiwa Opposes Stopping Political Donations

OW0706141393 Tokyo KYODO in English 1227 GMT
7 Jun 93

[Text] Tokyo, June 7 - KYODO—The head of the powerful Federation of Economic Organizations (Keidanren) on Monday opposed calls by some business leaders to stop political donations if political reforms under debate fail to materialize.

"Threatening with money is bad. The political reforms concern the problem of money, and it's wrong to use donations by companies as a means," to press politicians into realizing the reforms, Keidanren chairman Gaishi Hiraiwa told reporters.

"If the reforms fail at the current opportunity, I have a feeling the (ruling) Liberal Democratic Party will lose public trust," he said.

"When I met Prime Minister (Kiichi) Miyazawa (last Wednesday) [2 June], he very clearly expressed his determination," to implement the reforms, Hiraiwa said, reiterating his view their success depends on Miyazawa's leadership.

LDP's Kajiya Seeks Consensus on Reform

OW0806053593 Tokyo KYODO in English 0501 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—The ruling Liberal Democratic Party (LDP) plans to reach consensus on its

course of political reform by June 15, a top LDP official was quoted as saying Tuesday.

"It would be difficult to get various things done during the current parliamentary session unless I set a deadline by around the 15th," LDP Secretary General Seiroku Kajiya told a meeting of the party leadership.

The current Diet session is due to end June 20 and LDP legislators are still split over whether to make a concession to opposition parties and overhaul Japan's electoral system.

In the event a consensus is built among LDP lawmakers, Kajiya will discuss with opposition leaders on June 16 how to address the reform course. On June 18, he would decide whether to extend the Diet session or carry the issue over to the next sitting, LDP sources said.

Meanwhile, Prime Minister Kiichi Miyazawa reaffirmed his hopes that the LDP and opposition camp will reach consensus over the course of reform efforts before the close of the current Diet session.

"It is not about whether to extend the term of the session but whether every party can make up its mind to find common ground for discussion at a (House of Representatives political reform) panel," Miyazawa told the House of Representatives' Budget Committee. "That can take a little time."

'Extremists' Suspected in Police Station Attack

OW0806160393 Tokyo KYODO in English 1536 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—A projectile hit a police station in Denen Chofu, Tokyo's Ota ward, on Tuesday night on the eve of the imperial wedding between Crown Prince Naruhito and Msako Owada, police said.

The projectile pierced a window of the auditorium on the fourth floor of the Denen Chofu Police Station and a policeman was slightly injured in his foot by broken glass, police said. Police later found a launcher on a building, some 30 meters away from the police station. Police suspect unidentified attackers apparently launched the projectile from the rooftop on the building.

The five-story police station is located some three kilometers south of the residence of the would-be-princess. Police suspect extremists opposing the wedding staged the guerrilla attack.

Apr Tax Revenues Reportedly 'Plummeted'

OW0706114793 Tokyo KYODO in English 1026 GMT
7 Jun 93

[Text] Tokyo, June 7 KYODO—Tax revenues plummeted 31.4 percent year-on-year at the end of April to 5.15 trillion yen due to an "unexpected plunge" in income tax earnings triggered by dwindling property

transactions, the Finance Ministry said Monday. Especially hard hit were revenues from income tax collected through declarations, falling 49.7 percent from the year before to 2.30 trillion yen.

The drop contributed to a 39.0 percent decline to 3.56 trillion yen in overall personal income tax.

Corporate tax decreased 17.2 percent to 551.23 billion yen reflecting sluggish business conditions, but consumption tax gained 6.4 percent to 427.69 billion yen.

Figures released Monday brought total tax income so far for fiscal 1992 to 47.50 trillion yen, or 82.4 percent of what is budgeted by the government for the fiscal period ended March 31.

The latest aggregate sum was 8.9 percent below the same period the year before.

"It will not be easy to achieve the budgeted goal," a ministry official said, expressing pessimism about any major rally being reflected in figures for May. Payment of fiscal 1992 taxes were due May 31.

Makoto Kurimoto, an economist with the Japan Research Institute, estimated that tax revenues were short by 3 trillion yen in fiscal 1992, the first time in 11 years that the income would not reach the budgeted goal. He also projected a shortage of 7 trillion yen in the current fiscal year which ends next March, compared with the original estimate.

Slack corporate tax and personal income tax revenues will continue in fiscal 1993, he said.

Kurimoto noted the government may be able to respond to the fiscal 1992 shortage through technical adjustments, but it may be inevitable that it will have to float 3 trillion yen worth of deficit-financing bonds in the current fiscal year.

"The concept of spontaneous increase of tax revenues, which had been the premise for budgeting the income, is now gone," Kurimoto said, calling for the government to drastically review its fiscal policy and not just superficially cut expenses to make both ends meet.

In its medium-term perspectives on fiscal conditions, the government has predicted expenditures in fiscal 1994 could exceed income by 5 trillion yen, an amount which would have to be adjusted.

But Kurimoto said that given that natural increase of revenues can no longer be expected, the difference between spending and income could expand to as much as 16 trillion yen in the next fiscal year. "Serious scrutiny on tax reforms and trimming expenditures will be essential," the tax expert warned.

Ministry Plans Tougher Budget Ceiling in 1994

OW0806125493 Tokyo KYODO in English 1151 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—The Ministry of Finance, facing a serious tax revenue shortfall amid the economic slump, plans to tighten its belt on the ceiling on budget requests by ministries and agencies for fiscal 1994 in a bid to further slim expenditures, ministry officials said Tuesday. The officials said the ministry is considering revising the growth rate of investment-related expenses for the first time in seven years, to minus 5 percent from the principle of leaving it flat.

Living-related and other special budgets are under review for abolishment or revision, and defense, social security and other exceptional items are planned for tighter budgeting, the officials said.

Tax revenues for fiscal 1992 are expected to be about 3 trillion yen short of estimates made soon after launching the fiscal 1992 supplementary budget last December. Given such tough financial conditions, the ministry is even on the verge of issuing deficit covering bonds, if the economy remains sluggish, analysts said.

But its belt-tightening measures are expected to invite strong opposition, mainly from the ruling Liberal Democratic Party and the United States, now calling on Japan for utmost efforts to expand its domestic demand, they said.

Hayashi: Tokyo Unlikely To Attain Revenue Goal

OW0806063393 Tokyo KYODO in English 0558 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—Finance Minister Yoshiro Hayashi said Tuesday that it is unlikely that the government will have attained its fiscal 1992 tax revenue goal of 62.5 trillion yen. "We cannot but admit the outlook has become worse for the government attaining (the revenue goal)," Hayashi told the House of Councilors Budget Committee.

Hayashi declined, however, to estimate the amount of the revenue shortfalls. He said the figure will become clear in July when tax revenues for May, when companies that closed their books for fiscal 1992 at the end of March paid corporate tax for the year, are made available.

Miyazawa Rules Out Deficit-Covering Bonds

OW0806030993 Tokyo KYODO in English 0245 GMT
8 Jun 93

[Text] Tokyo, June 8 KYODO—Prime Minister Kiichi Miyazawa on Tuesday denied the government will float deficit-covering bonds to make up for a possible shortfall in tax revenues in fiscal 1992.

The government tax income for the fiscal year is most likely to fall 3 trillion yen short of its earlier projection,

with such revenues at the end of April falling 31.4 percent from a year earlier. Tax payments for fiscal 1992 were due May 31.

Asked by reporters whether the government has any plan to issue deficit-financing bonds, Miyazawa replied in the negative.

Diet Approves Supplementary Budget 8 Jun

OW0806094293 Tokyo KYODO in English 0905 GMT 8 Jun 93

[Text] Tokyo, June 8 KYODO—The Diet on Tuesday approved a 2.19 trillion yen supplementary budget for fiscal 1993 which will help fund a 13.2 trillion yen economic stimulus package unveiled in April.

At a plenary session Tuesday, the opposition-dominated House of Councillors voted down the budget, which had already cleared the House of Representatives.

Following consultation between representatives of the two chambers, the supplementary budget became law under constitutional rules which give greater power to the lower chamber in budget matters.

The 511-seat lower house, where the ruling Liberal Democratic Party (LDP) enjoys a majority, endorsed the supplementary budget May 26. The supplementary budget includes 1.2 trillion yen for public works, 401.7 billion yen for disaster restoration works, 100.5 billion yen for assistance to small and medium-size companies and 41.1 billion yen for aid to Russia.

The initial budget for fiscal 1993 which became law in March comprises general account spending of 72.35 trillion yen.

No income tax cuts are included in the supplementary budget, despite demands by the Social Democratic Party, Komeito and other opposition parties which voted against it both houses. Members of the Japan New Party voted for the extra budget despite having joined the demand for income tax cuts.

EPA Report Suggests Economy 'Bottomed Out'

OW0806034993 Tokyo KYODO in English 0302 GMT 8 Jun 93

[Text] Tokyo, June 8 KYODO—The Economic Planning Agency's [EPA] latest monthly economic report will suggest that the economy has bottomed out, the head of the EPA indicated Tuesday.

EPA Director General Hajime Funada said economic statistics for April and May suggest the economy is no longer being dragged down because they point to little negative reaction to extraordinarily strong data in March due to the end of the fiscal year. Because of this, Funada said he wants to include some assessment of the state of the economy in the monthly report, which is due to be released Thursday after a monthly meeting of economic ministers.

Panel Endorses Time Deposit Rate Proposal

OW0806040193 Tokyo KYODO in English 0328 GMT 8 Jun 93

[Text] Tokyo, June 8 KYODO—The Bank of Japan's policy-making panel endorsed Tuesday a proposal to eliminate remaining regulations on time deposit rates, enabling banks to set interest rates on all of their time deposits freely from June 21. Among deposits to be affected will be maturity-designated time deposits, known as "kijitsu shitei yokin," and so-called super money market certificates, or time deposits of less than 3 million yen.

The proposal was made by Finance Minister Yoshiro Hayashi last Tuesday as part of the ministry's program to dismantle government controls on domestic interest rates.

Ministry To Probe Off-Balance Bank Dealings

OW0806100593 Tokyo KYODO in English 0935 GMT 8 Jun 93

[Text] Tokyo, June 8 KYODO—The Ministry of Finance plans to conduct a survey on bond and "off-balance" transactions at 90 major banks to prepare for a new international capital adequacy standard scheduled to be adopted in March, 1997, ministry officials said Tuesday. The ministry's first survey on such bank transactions will be conducted from late this month through August, the officials said.

They said the ministry will also seek opinions on the new international regulations from the financial sector, around October, to use together with the survey as a reference in drafting a package of proposals for finalizing of a new global standard within this year.

The new standard, to be set by the Bank for International Settlements (BIS), will be its second, following a first requirement imposing a minimum 8 percent capital-to-asset ratio on member banks by the end of fiscal 1992.

The Basel-based BIS proposed a new draft plan in late April. In contrast to the first standard, aimed at raising banks' potential to cope with credit risks such as corporate involencies, the new rules target market risks involving gyrations in foreign exchange, bonds, stocks and other market deals which banks are actively conducting.

Through the planned survey, the ministry wants to get a grasp of the market risks currently carried by Japanese banks by estimating changes in asset amount stemming from market fluctuations, the officials said. The survey will categorize off-balance transactions and cash bond trading into 13 groups, based on the remaining periods until maturation, varying from less than a month to more than 20 years.

So-called off-balance transactions include futures, options and currency and interest rate swaps. Such

dealings are on a steady rise worldwide, with the outstanding principal on a global basis reaching 8 trillion dollars at the end of 1991, to nearly match the balance of assets.

Against this backdrop, the BIS and global financial authorities are urging stricter systems of information disclosure and risk management.

Real Estate Investments Abroad Fall in FY 1991

OW0806100493 Tokyo KYODO in English 0943 GMT 8 Jun 93

[Text] Tokyo, June 8 KYODO—Real estate investments overseas by Japanese realtors in fiscal 1991 plunged 61.7 percent from the year before to 365.7 billion yen, the steepest year-on-year fall on record, the Construction Ministry said Tuesday. The ministry said the findings were based on a survey of 2,367 licensed real estate firms, of which 59 companies reported real estate transactions and investments overseas during the fiscal year, ended March 31, 1992.

The ministry said the year-on-year drop was sharpest since it started surveys on real estate investments abroad in fiscal 1987. The ministry said such investments in fiscal 1990 dropped 20.5 percent from the year before to 955.8 billion yen.

Ministry officials attributed the sharp decrease to the global economic slowdown and a squeeze on the cash flow at home due to controls on loans to real estate-related transactions.

Investments in hotels and resorts, office buildings and housing in the United States accounted for more than 40 percent of the total, the ministry said. Investments in hotels and resorts totaled 55.2 billion yen, accounting for 15.1 percent of the total, while office building and housing investments amounted to 54.5 billion yen and 41.4 billion yen, respectively, for a share of 14.9 percent and 11.3 percent, the ministry said.

Investments in office buildings in Europe, which accounted for more than 20 percent of the total in the preceding year, dropped to 8.1 percent or 29.7 billion yen, the ministry said.

Of the future investment projections, seven of the 59 real estate firms said they will continue active investments overseas, while 32 said they will continue overseas investments even at a smaller scale, the ministry said. Eleven firms said they will downscale and eventually suspend overseas investments in the future, it said.

Hiroshima To Help With PRC Acid Rain Center

OW0806091193 Tokyo KYODO in English 0811 GMT 8 Jun 93

[Text] Hiroshima, June 8 KYODO—The city and prefecture of Hiroshima said Tuesday they will help establish an acid rain research center in the central Chinese

city of Chongqing in Sichuan Province. It is the first time local government bodies from the two countries have cooperated on a project related to acid rain.

Acid rain is becoming a problem in Chongqing and other parts of Sichuan Province because of polluted air from the large number of heavy industries in the city. The prefectural and municipal governments of Hiroshima both have a history of friendly relations with the Chinese province and city.

The new center will be established within an institute for environmental science in Chongqing.

The city and prefecture will contribute about 30 million yen toward the center as well as supply it with some of its equipment.

Acid rain is rain with an acidity of more than pH 5.6 (pH is a measure of acidity or alkalinity.)

Scientists in Japan suspect that much of the acid rain which falls over Japan originates with sulfur oxides, nitrogen and other substances from the burning of fossil fuels in China. China released 160,000 tons of sulfur dioxide into the air in 1991, according to the Chinese Government, an amount 15 times greater than that released by Japan.

Conservationists Criticize Government on Wetlands

OW0506051193 Tokyo KYODO in English 0425 GMT 5 Jun 93

[By Ian McArthur]

[Text] Tokyo, June 5 KYODO—Japan's nomination of wetlands under an international convention protecting such areas shows the Environment Agency's inability to act in the face of powerful industry lobbies, conservationists argue. An agency council on April 16 approved registration of five wetlands with the Ramsar Convention, officially known as the convention of wetlands of international importance especially as waterfowl habitat.

The five are the Kiritappu Marsh and Akkeshi Lake-Bekanbeushi wetlands in Hokkaido, the Yatsu tideland in Tokyo Bay, the Katano duck pond in Ishikawa Prefecture, and Lake Biwa in Shiga Prefecture. The newly designated protected areas bring the total number of wetlands registered under the convention to nine.

Convention member countries will approve their registration at a June 9-16 conference in Kushiro, Hokkaido. Japan joined the convention in 1980 after its establishment in 1971 in the Iranian city of Ramsar.

Geese, ducks, and swans use the Kiritappu wetlands and Bekanbeushi River system. Snipes and plovers use the Yatsu tideland, the first coastal land in Japan under the convention.

The Katano duck sanctuary is the largest waterfowl resting place in the Hokuriku region. Some 50,000 geese and ducks annually migrate to Lake Biwa, Japan's largest freshwater lake.

The Foreign Ministry said the Kushiro conference "will contribute to enhancing Japan's international stance by manifesting publicly Japan's positive attitude toward environmental issues in general."

Yoshihiro Natori, an Environment Agency assistant director assigned to the agency's temporary office planning the Kushiro conference, said the agency can only gazette areas for nomination with the convention if local governments agree.

He said wetlands not on the list would have to meet this same criteria even if there is considerable grass-roots support for their retention as wetlands decades after the advent of the original development plan.

Conservationists say that despite the message the council hopes to convey at the conference, the government has failed to protect other wetlands that are even more at risk from developers or business interests.

To press the point, at the same time as the conference, 45 Japanese environmental organizations will attend a June 10-11 wetlands forum in Kushiro.

Reiko Nakamura, a member of the Ramsar Center, one organization attending the forum, said wetlands rarely rate in Japan as environments worth preserving unless they have tourist potential.

She said one reason is the Environment Agency's lesser status compared to powerful ministries beholden to industry lobbies.

Four areas top the wetlands list the organizations unsuccessfully lobbied for. They include the Fujimae tidal flat in Nagoya port, the Sanbanze tidal flat in Tokyo Bay, the Wajiro tidal flat in Hakata Bay, Kyushu, and the Isahaya tidal flat near Nagasaki in Kyushu.

The Fujimae tidal flat, a small wetland amid container terminals in Nagoya port, is the subject of a decade-old plan by Nagoya city and the Transport Ministry for a garbage dump.

"It might be small, but it's home to lots of birds," Nakamura said. "The national government is reluctant to alter a decision made by a local body because they say it wouldn't be democratic."

The Wajiro tidal flat in Hakata Bay is the focus of plans for an artificial harbor and sports facilities that environmentalists say would cause harmful changes in tidal flows in the bay.

At the Isahaya tidal flats near Nagasaki, construction has begun on a reclamation project backed by the Construction Ministry.

Nakamura said the Environment Ministry has had "nothing to say" on the controversy surrounding the Isahaya project, despite the thousands of waterfowl and "outdated" plans drawn up decades ago when the environment took a back seat to development.

The 1,200-hectare Sanbanze, near the Tokyo-Chiba prefectural border, is a few kilometers from the much smaller 40-hectare Yatsu tidal flat the government will register with the convention.

Chiba city has approved reclamation plans for the Sanbanze, but postponed them several times because of a lack of development funds.

Sanbanze forum secretary Seiichi Onoo said 90 percent of Tokyo Bay's mud flats have gone under industrial and urban reclamation. He said the Sanbanze is one of the bay's last homes to water birds.

Onoo said the government is unwilling to list wetlands for registration unless they meet its "unofficial" criteria, including local government support, and an absence of development plans.

"The Sanbanze fits none of these," Onoo said. "And yet it quite easily fits the Ramsar Convention in terms of the number of birds using it each year and the area and shallowness of the water."

"Strictly speaking, the Yatsu tideland might not even fit the terms of the convention. It's much smaller and has fewer birds using it. Many of them rest on the Yatsu tideland, but actually feed on the Sanbanze."

Hirofumi Yamashita, of the Japan Wetlands Network, which is attending the Kushiro forum, said Japanese nongovernmental organizations will have little chance to speak at the conference.

"I want to take up the issue of Japanese Overseas Development Assistance destroying wetlands," Yamashita said.

Mongolia

High Turnout Reported in Presidential Elections

LD0606170593 Moscow *ITAR-TASS World Service in Russian* 1455 GMT 6 Jun 93

[by ITAR-TASS correspondent Dugar Sanzhiyev]

[Text] Ulaanbaatar, 6 Jun—For the first time in their history, the Mongolian people today voted by direct and secret ballot for their new head of state. At 2200 local time polling stations everywhere closed and the commissions began counting the ballot papers in the boxes.

An hour later, Sonomyn Lhagvasuren, chairman of the Main Electoral Committee of Mongolia, announced on national television and radio that the first nationwide presidential elections had taken place. According to preliminary data, 89.3 percent of the voters on the

electoral roll took part in the elections. The electorate in the Bulgan and Dzabkhan aymags were the most active; 90 percent of all the electorate voted in them.

Here, there are two candidates for the highest state post—the present President Punsalmaagiyn Ochirbat from the bloc of the young parliamentary parties—the National Democratic and Social Democratic Party—and Lodongiyn Tudev, editor in chief of the UNEN newspaper who was put forward by a third parliamentary party—the Popular Revolutionary Party.

The Main Electoral Committee intends to announce the preliminary results of the nationwide elections on 10 June.

Final Results Expected 10 Jun

*BK0606105693 Hong Kong AFP in English 1044 GMT
6 Jun 93*

[By Bruce Shu]

[Text] ULAANBAATAR, June 6 (AFP)—Mongolian voters went by foot, horse and camel Sunday to vote in the first direct presidential election since they chose democracy three years ago. The race was too close to call between the reformist incumbent, Punsalmaagiyn Ochirbat, and sole challenger Lodon Tudev, editor of the conservative ruling party newspaper.

"I am confident of a win," Tudev said after casting his ballot at the capital's School No. 23. "I am hoping for 60 percent of the vote."

Ochirbat, who had warned that a vote for Tudev meant a vote for the return of communism, declined to make predictions. "All candidates hope to win," he said at his neighborhood polling station.

Election officials around Ulaanbaatar reported heavy voter participation.

With a highly literate population and brilliant blue skies all across Mongolia's grasslands and deserts, turnout was expected to be high among the nearly 1.2 million registered voters.

Voting is voluntary, but local election committees strongly encourage participation by arranging free transportation to polling stations and by bringing portable ballot boxes to the infirm, officials said.

The country's Soviet-backed communist party relinquished Marxism and a seven-decade grip on power in 1990 and changed its name to the Mongolian People's Revolutionary Party (MPRP). The MPRP still controls Mongolia after winning a landslide 70 out of 76 parliamentary seats in elections last June.

President Ochirbat, 50, is regarded as a leader of the MPRP's reformist wing, but he lost party backing last year after vetoing legislation he believed would slow down reforms. The MPRP threw its weight and political

machinery behind party faithful Tudev, 58, a well-known writer and intellectual.

Although Ochirbat is known as a reformist and is running as the candidate of the two "democratic" opposition parties in parliament, he has presided over the worst economic crisis in Mongolians' memory during his three years in office. Inflation is rampant, ration coupons have been introduced for grain, cooking oil and meat, and the government warned over the winter that it could not guarantee heat to the cities.

For many voters Ochirbat represents a continuation of the status quo. "It's hard to believe in Ochirbat any more, especially after he was defeated by the MPRP and then switched parties," said Buyantogtohi, 40, from atop his horse.

"Quite a number of mistakes have been made in the privatization," the cattle breeder said at a suburban Ulaanbaatar polling station 15 kilometers (10 miles) away from his pasture.

Campaigning was low-key compared with the festival atmosphere of the two previous parliamentary polls, but both candidates managed to give speeches at the now-privatized Gachuurt Dairy Farm in the eastern suburbs, local residents said.

Uranjargal, a 21-year-old cook at the local hospital, said she voted for Ochirbat. "He said he had done half his plan and needed time to finish," she said.

Under Mongolia's new Constitution, the president's role is largely ceremonial, although he enjoys limited veto power over legislation. For the western and Japanese aid donors on which Mongolia is now dependent, the well-traveled Ochirbat is a familiar advocate of reform and Tudev, while he expresses support for democracy and free markets, is something of a carry over from the communist old guard.

"It doesn't matter who's elected president. In the end, it's really the IMF that decides how fast the economic reforms will go," a European economist here said in reference to the International Monetary Fund's strict prerequisites for continued assistance.

The 1,535 polling stations are scattered throughout the vast countryside and final results are not expected until Thursday.

Mongolia, which has a total population of 2.2 million, was a Soviet satellite for nearly seven decades. It was the first Asian country to embrace communism in 1923 and the first to renounce it in 1990.

The country has abundant agricultural and mineral resources and a literacy rate near 100 percent, but has been hindered by being landlocked between Russia and China.

North Korea

DPRK Chief: Further Talks With U.S. Planned

SK0406234393 Seoul KBS-1 Radio Network in Korean
2200 GMT 4 Jun 93

[By reporter Kim In-kyu at United Nations headquarters]

[Text] The second round of U.S.-North Korean high-level talks for discussing North Korea's nuclear issue ended after two and half hours without any tangible progress.

The United States and North Korea held the second round of high-level talks at the U.S. mission at the United Nations from 2300 on 4 June [Korean standard time] and held a last-minute negotiation for resolving North Korea's nuclear issue. Negotiations ended at 0130 on 5 June, two and half hours after the talks began.

North Korean Vice Foreign Minister Kang Sok-chu came out of the conference room and said that today's talks were not ruptured. He also revealed that the two sides confirmed their position that the nuclear issue on the Korean peninsula should be resolved through dialogues and that they agreed to hold follow-up talks.

Vice Foreign Minister Kang Sok-chu said that they agreed to decide the date for the follow-up talks according to the two sides' agreement. He added he predicts that the date will be before 12 June.

Meanwhile, Robert Gallucci, assistant secretary of state for political and military affairs, declined to answer specifically, saying the two sides have not decided yet on whether the follow-up talks would be held or not.

After winding up the talks, Vice Foreign Minister Kang Sok-chu and Assistant Secretary Gallucci had lunch at the UN headquarters. It was learned that they discussed the date for the follow-up talks in the meeting over lunch.

The issue of North Korea's returning to the Nuclear Nonproliferation Treaty was mainly dealt with in the talks. North Korea did not make clear its position on this issue and the talks ended earlier than expected. The two sides will decide on the date for the follow-up talks after they consult with their home countries, diplomatic sources predicted.

Discusses Further Meetings

SK0506023993 Seoul YONHAP in English 0226 GMT
5 Jun 93

[Text] Washington, June 4 (YONHAP)—North Korean First Vice Foreign Minister Kang Sok-chu and members of his delegation have canceled their airline reservations, giving rise to speculation that the U.S.-North Korean high-level talks could resume next week. The second round of the meeting in New York on the North Korean

nuclear issue ended Friday [4 June] without the parties having reached any agreement. But in New York, Ho Chong, minister at the North Korean mission to the United Nations, hinted there was a possibility that the two countries will hold follow-up meetings.

In a telephone interview with YONHAP News Agency, Ho quoted Kang as saying that there would be third and fourth meetings. "All you have to do is to believe what he (Kang) said," Ho said. Ho, however, declined to say how long the North Korean delegates will stay in New York. Diplomatic sources here and in New York said that at the second round of talks North Korea gave no indication it would comply with a U.S. demand that Pyongyang rescind its decision to withdraw from the Nuclear Nonproliferation Treaty. But judging by the cancellation of their airline reservations for the flight home on Sunday, June 6, the sources said they could not rule out the possibility of the two countries holding a follow-up meeting early next week after the North Korean delegation had received new instructions from Pyongyang. The North Korean visitors do not have to extend their visas since Washington has given them enough time to stay in the United States, they added.

The sources noted that there was no agreement on the date of a follow-up meeting and that resolution of the nuclear problem, therefore, was now up to North Korea.

At Friday's meeting, the North Koreans reportedly said they were not in a position to respond to the U.S. demand to retract North Korea's decision to withdraw from the NPT. Against this North Korean response, the U.S. side was adamant in its position that unless the nuclear issue were resolved it would not discuss any other problems related to improvement in bilateral relations, the sources said. As a result, the two days of talks had been limited to those "basic positions" of the two sides, they said.

The sources predicted that the United States and its allies would have to refer the North Korean nuclear issue to the United Nations Security Council to impose economic sanctions against North Korea around June 12, unless Pyongyang showed an appreciable change by early next week.

North To Void Armistice if Sanctions Issued

SK0606023393 Seoul TONG-A ILBO in Korean
6 Jun 93 p 2

[Report by Tokyo-based correspondent Pae In-chun]

[Text] At the first round of North Korea-U.S. high-level talks held on 2 June, North Korea told the U.S. side that "if the sanctions are taken against North Korea in connection with the nuclear issue, North Korea will regard the armistice agreement (signed on 27 July 1953) as nullified and make an appropriate response to it," said an informed diplomatic source in Tokyo on 5 June. The source went on to say, "This remark made by the North Korean side means that North Korea can wage an

attack depending on the situation without regard to the armistice agreement signed between the UN Forces and the communist side 40 years ago. By this North Korea may have attempted to induce the ROK and Japan to exercise their influence out of fear so as to restrain the discussion of sanctions."

The source also noted, "Since the North Korean declaration of the withdrawal from the Nuclear Nonproliferation Treaty (NPT) on 12 March, the ROK Government has shown an excessive appeasement stance out of fear that a tough stance might cause people to worry. This helped North Korea intensify its uncompromising stance."

Meanwhile, a diplomatic source in Tokyo, commenting on the recently reported North Korean moves of suspending issuance of entry visas to foreigners and ordering foreigners to leave the country, said, "North Korea may have taken these measures to create a tense atmosphere in North Korea to cope with the probable UN Security Council resolution on sanctions and to conceal from the outside world the extremely worsening food shortage North Korea has been suffering recently."

U.S., DPRK in 'Diplomatic Tug of War'

*SK0706010193 Seoul YONHAP in English 0028 GMT
7 Jun 93*

[Text] New York, June 7 [as received] (YONHAP)—A diplomatic tug of war was in progress Monday [as received] between the United States and North Korea over the possibility of resuming high-level talks on the North Korean nuclear issue that were broken off last Friday.

North Korea's chief delegate to the talks, First Vice Foreign Minister Kang Sok-chu, and members of his entourage had been scheduled to leave for home on Sunday [6 June] but canceled their airline reservations, giving rise to speculation that there would be follow-up meetings. Kang denied that the talks had broken up and said that there would be third and fourth meetings, but the United States said it believed there was no need to continue talking as long as North Korea did not make a commitment to stay in the Nuclear Nonproliferation Treaty [NPT].

Any further meeting, therefore, would not take place unless the North Korean delegation received fresh instructions from Pyongyang, diplomatic sources said. Some U.S. State Department officials believe that North Korea was hinting for further talks in a delaying tactic until June 12, when its declaration to withdraw from the NPT takes effect, the sources said. Nevertheless, Assistant Secretary of State for Political and Military Affairs Robert Gallucci, the chief U.S. representative to the talks, is taking a wait-and-see attitude, the sources said. As a result, the United States is expected to watch for any change in the North Korean position before going ahead

with plans to bring the issue back to the United Nations Security Council if Washington judges that North Korea is indeed stalling, they said.

If the U.S.-North Korea talks break up, the U.N. Security Council is expected to adopt another resolution denouncing North Korea. A resolution on possible sanctions against North Korea could come after June 12, they said.

Sources at the United Nations said they believed there would be little trouble in adopting a resolution on sanctions against Pyongyang because the North Korean problem then would pose a threat to the peace and stability of the world.

Meantime, North Korea canceled plans for its delegates to attend a luncheon with American experts on the Korean problem on Saturday because of the deadlock in the U.S.-North Korean talks. The delegates and other North Korean officials here also refused to talk to reporters by phone or in person.

3d Round of Talks Scheduled 10 Jun

*SK0706234393 Seoul YONHAP in English 2331 GMT
7 Jun 93*

[Text] Washington, June 7 (YONHAP)—The United States and North Korea have agreed to hold their third high-level meeting in New York on Thursday [10 June] to discuss the North Korean nuclear issue, the U.S. State Department spokesman announced Monday.

The United States will again urge North Korea to stay in the Nuclear Non-Proliferation Treaty [NPT], accept inspections of the International Atomic Energy Agency and implement the South-North denuclearization declaration, Mike McCurry, the newly-appointed State Department spokesman, told a regular new briefing for reporters.

Thursday's meeting will attract unusual interest as it is being held at the request of the North Korean delegation which apparently has received a fresh instruction from Pyongyang after previous two meetings with the United States had broken up last week, informed sources said.

Robert Gallucci, assistant secretary of state for political and military affairs, will represent the United States and North Korea's First Vice Foreign Minister Kang Sok-chu will head his delegation as before, the spokesman said.

Since the third meeting is scheduled to be held only two days before the North Korean decision to withdraw from the NPT takes effect, there is a possibility that North Korea could retract the decision, the sources said.

The spokesman also noted that the meeting is to be held two days before the deadline for North Korea to withdraw its decision to leave the NPT and said the United States is currently discussing on possible economic sanctions against North Korea with its allies.

He indicated that the United Nations Security Council could adopt another resolution on North Korea shortly after June 12, if North Korea did not rescind its decision to withdraw from the NPT before then.

The spokesman declined to discuss details of the past two rounds of talks, but said they had been highly disappointing for the United States.

Successful Talks U.S. Responsibility

*SK0806002693 Seoul YONHAP in English 0007 GMT
8 Jun 93*

[Text] United Nations, June 7 (YONHAP)—Ho Chong, minister at the North Korean Mission to the United Nations, said Monday the success or failure of the third U.S.-North Korean high-level meeting Thursday [10 June] would depend "entirely" on the United States. A compromise between the two countries was only possible when the United States removed its nuclear threat (against North Korea) and maintained the impartiality of the International Atomic Energy Agency (IAEA), Ho said. Ho made the remark in a meeting with South Korean reporters in the lobby of the United Nations Headquarters Monday.

Contrary to a U.S. State Department statement, Ho said the third meeting was requested by the United States. "Since we (North Korea) have declared our intention to withdraw from the Nuclear Non-Proliferation Treaty, we are prepared to meet economic sanctions of the United Nations Security Council," Ho said.

Part of the North Korean delegation, headed by First Vice Foreign Minister Kang Sok-chu, has returned to Pyongyang. But Kang would represent his country in the third conference as he did in the previous meetings, Ho said.

Premier Sends Letter to ROK Proposing Talks

*SK0806024293 Pyongyang Korean Central
Broadcasting Network in Korean 0200 GMT 8 Jun 93*

[Text] Kang Song-san, premier of the DPRK Administration Council, has sent a telephone message to Hwang In-song urging the South side to agree to our proposal to hold a working-level contact in connection with the North and South exchanging highest-level [choegoikup] special envoys. The contents of the telephone message are as follows:

The realization [silhyon] of the denuclearization of the Korean peninsula is an important issue that should be urgently resolved not only for peace in our country but also for security in Asia.

Proceeding from such a view, even when your side had not thought of the issue concerning the denuclearization of the Korean peninsula, we had already urged the United States to withdraw nuclear weapons and bases deployed in South Korea. We actively put forward a proposal for turning the Korean peninsula and northeast

Asia into a nuclear-free zone. We have made constant efforts to realize this proposal.

In particular, we proposed in recent years that the issue of the denuclearization of the Korean peninsula be resolved between the North and the South. We proposed that the joint declaration on the denuclearization be adopted through the North-South high-level talks. We have made all sincere efforts to implement the joint declaration of denuclearization which was adopted at the North-South high-level talks.

Our recent proposal for exchanging special envoys of the two sides' top leaders also envisages the discussion and resolution of the issue of the denuclearization of the Korean peninsula which has been at a stalemate between the North and South.

Therefore, if our proposal for exchanging special envoys had been implemented, the two sides would long ago have opened an excellent road toward practically resolving not only the nuclear issue, but also other pending issues between the North and South amid mutual understanding.

I think that your side as well knows that the best way to resolve the important and urgent nuclear issue on the Korean peninsula is to exchange special envoys of the two sides' top leaders. The nuclear issue on the Korean peninsula is not a working-level issue but a serious political issue [simgakhan chongchijok munje] between the North and South. It can only be resolved through high-level consultations between the North and South and the resolve [kyoltan] of the two side's top leaders.

We cannot help but say that proposing the discussion of such an important issue at a working-level contact is not an attitude [ipchang] toward resolving the issue.

Your side has even described this issue as a matter over which the nation's life and death are at stake but has proposed that it be discussed at a working level. We cannot but say that this is an irresponsible act.

We cannot understand why your side has turned a blind eye to this fact, which is obvious to all, and proposed that the nuclear issue be discussed at a working level.

Your side, which had turned a blind eye to resolving the nuclear issue on the Korean peninsula for several decades, today babbled [ununhanun] about the urgency of the issue. This is curious [uiasuropta].

Also, even while stating that it is an issue that must be resolved at the earliest possible date [harusokhui], your side has tried to relegate the best proposal, which our side advanced, to the back burner. We cannot understand this.

If your side is truly willing to quickly and substantially [silsokitkke] resolve the nuclear issue on the Korean peninsula, it must stop reiterating its unreasonable proposal [okchijujang] which defies common sense [sangsigae]

oggunanun], and must not hesitate to discuss procedural matters [silmujolchamunje] concerning the exchange of special envoys.

We again make it clear that if the two sides exchange special envoys, we will be willing to prioritize [choeuso-njoguro] resolving the issue of denuclearizing the Korean peninsula.

Proceeding from such a stand, we once again urge that if you want to resolve the problem from the broader viewpoint [taesungjok kyonji] you mentioned, you should broad-mindedly [taebomhage] withdraw your side's proposal, as low-level, phased discussions will only be a waste of time, and consent to our proposal for working-level contacts to discuss the exchange of special envoys so that the problem is rapidly and directly resolved at a high level.

Proposing that this contact be held at 1000 on 10 June at Tongilgak in our area of Panmunjom, I inform you that we will inform your side of the list of our side's working-level representatives on the eve of the contact.

I wait for your side's affirmative response.

Cilreco Leader Delivers Report to Lisbon Conference

SK0606003393 Pyongyang KCNA in English 1515 GMT 5 Jun 93

[Text] Pyongyang, June 5 (KCNA)—Guy Dupre, secretary general of the International Liaison Committee for the Reunification and Peace in Korea (Cilreco), made a report at the world conference for supporting the Korean people's cause of peace, security, sovereignty and reunification which took place in Lisbon.

Today when it is the main trend of the times to realize people's right to self-determination and seek a peaceful settlement of disputes, the sufferings of the Korean people from national division caused by outside forces have not yet been removed, and the Korean peninsula still remains a region fraught with the greatest danger of war in the world, he said.

He pointed out that even at the moment when the North and the South of Korea have joined the United Nations the United States is still keeping its troops and armaments including nuclear weapons in South Korea and maintaining the anachronistic state of truce on the Korean peninsula for four decades, rejecting the repeated proposals of the DPRK to replace the Korean armistice agreement by a peace agreement.

The United States and the South Korean authorities, he went on, have led the situation on the Korean peninsula to a touch-and-go emergency state gravely threatening peace and security in Asia and the rest of the world, with the aim of justifying the U.S. military occupation of South Korea and stifling the socialist system of the North.

Pointing out that it is the United States that gave rise to the nuclear problem on the Korean peninsula, the reporter said that the U.S. began to introduce nuclear weapons into South Korea from 1957 and, after declaring South Korea its "frontline defence zone", has converted it into its nuclear military base.

The reporter further said:

It was documents of the South Korean "National Assembly" in 1985 that opened to the public for the first time that the United States had introduced nuclear weapons into South Korea and systematically modernised them. According to them, 1,720 U.S. nuclear weapons of all types are deployed in South Korea.

The United States admitted for the first time that it had nuclear weapons in South Korea when U.S. President Bush in 1991 stated that the United States was willing to withdraw its nuclear weapons from South Korea.

Herein lie the historical source and essence of the nuclear problem on the Korean peninsula. Accordingly, it is only too natural that the DPRK maintains that the U.S. nuclear weapons in South Korea are not only a direct threat to it but also a source of threat to the existence of the Korean nation.

The state of emergency created on the Korean peninsula gravely threatening peace and security of the world is wholly ascribable to the desperate efforts of the U.S. accordance with the independent desire of its people.

The "10-point programme of the great unity of the whole nation for the reunification of the country" advanced by President Kim Il-song, for its feasibility and fairness, is a powerful weapon and great program of national salvation to break the present impasse on the way of reunification by the great unity of the whole Korean nation.

When the 10-point program of the great unity of the whole nation and the four-point demands including the renunciation of dependence on outside forces set forth at the Supreme People's Assembly of the DPRK are realised, we believe, the North and the South of Korea will continue the inter-Korean talks from an independent stand without foreign interference and, furthermore, an epochal phase will be opened in the solution of the question of Korea's reunification.

The countries responsible for the division of Korea must respect the Korean people's will to attain great national unity and realize the Reunification of the country, refrain from interfering in the internal affairs of the Korean people and do things helpful to them.

The United States, in particular, which is the very one which caused the tragic division of Korea and is directly responsible for the solution of the Korean question should squarely see the trend of the times and withdraw its troops and nuclear weapons immediately from South Korea and no more interfere in the internal affairs of the Korean people.

Japan should stop its manoeuvres to realize her expansionist design on Korea by taking advantage of the U.S. policy of strength towards socialist Korea and its policy of perpetuating the division of Korea and discard its discriminative policy against the DPRK and obstructions to Korea's reunification.

The secretary general outlined tasks arising in waging an active solidarity movement supporting the Korean people's cause of the country's reunification and peace.

It is the most important task facing us today to throw a revealing light on the truth of the situation surrounding the Korean question before the world public, he said, and continued:

We should arouse a widespread world public opinion to force the United States directly responsible for the solution of the Korean question to come out to the negotiating table with the DPRK in order to see the solution of such problems as the withdrawal of the U.S. forces and nuclear weapons from South Korea, stop to all provocative military exercises including the aggressive "Team Spirit", the replacement of the Korean armistice agreement with a peace agreement, conversion of the Korean peninsula into a nuclear-free peace zone and termination of the U.S. interference in the internal affairs of Korea.

And we should put strong international pressure on the South Korean authorities to lend an ear to the desire and demand of the Korean people and the world peace-loving people and give up the policy of dependence on outside forces that encroaches upon the interests of the nation and threatens the peace and security of the world.

We should organize work with the governments, parliaments, political parties and public organizations of all countries of the world in various forms and ways and direct efforts to inducing them to oppose the U.S. attempt to abuse the United Nations in the enforcement of the policy of strength.

The international liaison committee will take measures to thoroughly carry out the decisions of the current world conference in compliance with the demand of the developing situation on the Korean peninsula in close link with the governments, parliamentaries, political parties, public organizations and peace organizations of many countries of the world and the progressive international organizations.

Conference Adopts Letter to UN

*SK0506114593 Pyongyang KCNA in English 1033
GMT 5 Jun 93*

[“U.N. Security Council Urged To Revoke Its Unjustifiable ‘Resolution’ on Korea”—KCNA headline]

[Text] Pyongyang, June 5 (KCNA)—A letter to the president of the U.N. Security Council was adopted on May 31 at the World Conference for Supporting the

Korean People's Cause of Peace, Security, Sovereignty and Reunification which was held in Lisbon.

The acute tension on the Korean peninsula today has been caused by the United States and the South Korean authorities who staged the "Team Spirit" joint military exercises, a nuclear war game against the Democratic People's Republic of Korea, and are trying to impose a "collective sanctions" upon it by abusing the United Nations, raising outcries over fictitious "nuclear threat from the North", the letter said.

It warned that, if the United States put pressure on and took "collective sanctions" against the DPRK by abusing the U.N. Security Council, it would create a dangerous precedent of violating the principle of impartiality of a world body and impairing the universal position of the United Nations whose noble mission is to guarantee peace and security of the world.

If the U.N. Security Council, the letter said, is truly ready to work for a fair solution of the nuclear problem of the Korean peninsula, it should, first of all, take up the problem of the U.S. nuclear threat and urge the united states to approach the DPRK-U.S. negotiation for the solution of this problem with a sincere stance.

The participants in this conference demand that the U.N. Security Council represented by you get the brigandish "resolution on a special inspection" of the Democratic People's Republic of Korea cancelled and withdraw the unjustifiable "resolution" adopted by it on May 11, 1993, the letter said.

Choe Tae-pok Addresses Conference

*SK0506044693 Pyongyang KCNA in English 0410
GMT 5 Jun 93*

[Text] Pyongyang, June 5 (KCNA)—Choe Tae-pok, alternate Politburo member and secretary of the Central Committee of the Workers' Party of Korea, heading a delegation of the Korean Committee for Solidarity With the World People, made a speech at the World Conference for Supporting the Korean People's Cause of Peace, Security, Sovereignty and Reunification which took place in Portugal over May 30-31.

The Workers' Party of Korea and the DPRK Government have put forward many peaceful proposals to ease the tensions on the Korean peninsula and create firm preconditions for a durable peace in the country and its peaceful reunification, but the United States has resorted to adventurous war moves against them and instigated some officials of the secretariat of the International Atomic Energy Agency and its member states to adopt a "resolution" demanding f'a special inspection" of ordinary military sites of the DPRK, he said, and went on:

The determined self-defensive measure taken by the DPRK declaring its withdrawal from the Nuclear Non-proliferation Treaty (NPT) in face of the grave situation

is a very just and legitimate exercise of its sovereignty for defending the security and supreme interests of the Republic.

This notwithstanding, the UN Security Council adopted an unreasonable "resolution", urging the DPRK to "reconsider" its withdrawal from the NPT.

The DPRK's legitimate measure of withdrawing from the treaty cannot be a topic of discussion at the UNSC.

If the UN is to properly discuss the nuclear problem on the Korean peninsula, it must deal with the illegal acts of the United States in continuing to present a nuclear threat to the DPRK and barring it from fulfilling its obligations under the NPT.

The nuclear problem on the Korean peninsula cannot be solved by means of pressure and strongarm acts. It is a matter that can be solved only through negotiation between the parties concerned.

No strongarm measure can work on the DPRK, and the Korean people would never tolerate their national dignity and sovereignty to be violated.

The United States' resumption of "Team Spirit" joint military exercises and attempt to have "sanctions" taken against the DPRK in the name of the UN cannot be overlooked; it is an act of driving the situation on the Korean peninsula to the worst phase and creating grave difficulties in the way of the accomplishment of the Korean nation's cause of reunification.

The situation on the Korean peninsula at present shows that, apart from the principle of national independence advanced by the great leader President Kim Il-song, it is impossible either to avoid foreign aggression and interference or to achieve national reconciliation, unity and reunification.

The South Korean authorities must renounce the treacherous policy of dependence on outside forces, manifest their will to get U.S. forces withdrawn from South Korea, cease joint military exercises with foreign troops for good and break away from the U.S. "nuclear umbrella".

The nuclear problem on the Korean peninsula can be solved smoothly and the way for harmony and reunification of the whole nation be paved only when the South Korean authorities take the road of national independence with the DPRK.

Our party and our people will defend firmly the dignity and sovereignty of our country, united in one mind behind the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il, and surely accomplish the historical cause of national reunification through the great unity of the whole nation.

Further on Talks

*SK0706050493 Pyongyang KCNA in English 0435
GMT 7 Jun 93*

[Text] Pyongyang, June 7 (KCNA)—Talks were held in Lisbon on June 2 between delegations of the Workers' Party of Korea [WPK] and the Democratic Renovation Party of Portugal [DRPP].

Present at the talks on the Korean side were the members of the WPK delegation led by Choe Tae-pok, alternate Politburo member and secretary of the C.C. [Central Committee], WPK, and on the opposite side the DRPP delegation led by Manuel Vargas Loureiro, chairman of the DRPP.

Chairman Manuel Vargas Loureiro at the talks said the reputations of the respected His Excellency President Kim Il-song and the dear His Excellency Secretary Kim Chong-il have been enhanced immensely by the self-defensive measure taken by Korea. The Democratic Renovation Party of Portugal will consistently extend full support and solidarity to the Korean people's cause of justice, he stressed.

The talks proceeded in a friendly atmosphere.

CPRF Condemns South Authorities on Suppression

*SK0606091193 Pyongyang KCNA in English 0820
GMT 6 Jun 93*

[Text] Pyongyang, June 6 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] bitterly condemns the high-handed acts of the South Korean authorities to put down the righteous struggle of South Korean students for independence, democracy and reunification by force of arms, far from encouraging it, branding them as an unpardonable anti-national and anti-reunification crime, says the Secretariat of the CPRF in its Information No. 631 published Friday.

Hitting out at the South Korean authorities' crackdown on the students who rose up in a struggle for the reunification of the country, while demanding a probe into the truth behind the Kwangju incident and the punishment of the murderers, the information says:

The South Korean students demanded clarification of the truth behind the Kwangju bloodbath and the punishment of the murderers and called for an anti-U.S. and anti-nuclear struggle and peaceful reunification and expressed desire for national harmony and unity through a phone dialogue with fellow countrymen at the time of the inaugural ceremony of the South Korean Federation of General Student Councils ("Hanchongnyon"), their lawful organization. This can never be an object of repression in any case.

The present authorities of South Korea waxed eloquent about the "opening" of reunification discourse and

promised to take the "people's will" into consideration. But they cordoned off the route of the reunification movement of the students and openly denied civilian-level contact and dialogue. This proves that their "commitments" are lies and "civilian government" and "reforms" advertised by them are no more than a ruse to win public favor.

Should the South Korean "regime" be really willing to pursue "civilian government," it must not resort to repression against the students and people desirous of independence, democracy and reunification, but must get apology from the United States, the manipulator of the Kwangju massacre, arrest and punish Chon Tu-hwan and No Tae-u, the chief culprits, scrap the "National Security Law" that stands in the way of national unity and reunification and disband the "Security Planning Board," the general headquarters of fascist suppression.

If the South Korean authorities, ignoring the unanimous desire and demand of the students and people, block the reunification-oriented dialogue of students in the North and South and overseas by resuming repressive acts backed by the fascist "National Security Law," they will find themselves a target of curse and denunciation by the entire fellow countrymen as the previous military fascist dictators did.

Urges South To Stop Suppression

SK0706051193 Pyongyang KCNA in English 0439
GMT 7 Jun 93

[Text] Pyongyang, June 7 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] in its Information No. 632 dated June 5 notes that the South Korean authorities recently passed a prison term upon Tae Chae-chun who was 6th-term chairman of the National Council of Student Representatives (Chondaehyop) and launched into an arrest of student activists including Kim Chae-yong, chairman of the South Korean Federation of General Student Councils (Hanchongnyon), who had telephone contacts with students in the North and overseas.

"This shows that the present South Korean 'regime' claiming 'civilian government' denies national reconciliation and reunification and is intending to stamp out pro-reunification patriotic forces in South Korea," the information says, and goes on:

"It also proves that the present 'regime' is a repressive 'regime', a separatist 'regime' little different from the preceding military fascist dictatorial 'regimes'.

"The present South Korean authorities must look straight at the aspirations and demand of the people, stop suppressing the pro-reunification patriotic forces, abolish the 'National Security Law' and other anti-reunification evil laws and dissolve the 'Security Planning Board' and other fascist repressive machines unconditionally and without delay."

Further on Ending 'Repression'

SK0806120093 Pyongyang KCNA in English 1042
GMT 8 Jun 93

["CPRF Urges South Korean Authorities To Stop Their Fascist Suppression of Pro-Reunification Democratic Forces"—KCNA headline]

[Text] Pyongyang, June 8 (KCNA)—The spokesman of the Committee for the Peaceful Reunification of the Fatherland [CPRF] today issued a statement on the fact that the South Korean authorities brutally repressed the students who demanded a probe into the truth behind the Kwangju incident and the punishment of the chief murderers on the occasion of the 13th anniversary of the Kwangju popular uprising in May, arrested a number of them by invoking the "national security law" and launched a wholesale arrest of those involved in the inaugural ceremony of the first-term South Korean Federation of General Student councils ("Hanchongnyon") and the first meeting of the joint presidium of the National Alliance of youth and students for the country's reunification (Pomchonghaknyon) held through international telephone.

The statement says:

On May 31, the South Korean "prime minister" issued instructions to take a "tough measure," branding as "illegal" the patriotic struggle of students demanding a probe into the Kwangju incident and the punishment of the chief culprits in the massacre and calling for an anti-U.S., anti-nuclear struggle and achievement of peaceful reunification and, according to it, the "home, justice and education ministers" are crying in chorus that "tough reaction" and "stern measures" should be taken against them. And they are threatening that they will put down at the point of the bayonet the June 12 Panmunjom student talks proposed by "Hanchongnyon."

On the other hand, the South Korean authorities are choosing to foster North-South confrontation, making free with caustic remarks on the North-South relations and the reunification question.

They are bringing into the open their confrontational stance, blaring that "the 'national security law' cannot be repealed unless the North changes its attitude," "the nuclear problem of the North is a challenge to the international community" and they "will never shake hands with the side possessed of nuclear weapons."

Taking into consideration the fact that the present "government" of South Korea, at the time of its inauguration, advertised "civilian politics" and "reforms" and talked much about its "break" with the fascist "fifth and sixth republics," we have so far watched the attitude of the South Korean authorities out of the desire to open a new phase of national reunification at any cost with the great unity of the whole nation.

The South Korean authorities, however, as time flows, are committing crimes reminding us of the period of the former military fascist "regimes."

The Committee for the Peaceful Reunification of the Fatherland sharply denounces the current fascist and anti-reunification repressive acts and confrontational row of the South Korean authorities, branding them as the revival of the "security-oriented politics" of the "sixth republic" era and a challenge to national unity and peaceful reunification.

After saying they would ensure "free" debates on reunification, the South Korean authorities have arrested and punished those who called for reunification through a confederacy on charges of violation of "law", and have blocked independent civilian dialogue between students. This is a double-dealing act which shows that they have no intention for reunification.

All the more grave is the fact that they have repeated the lie of outside forces about "nuclear suspicion", not believing the fellow countrymen who said they have no nuclear arms, and are now acting as their "shock brigade"

If the present "regime" of South Korea is to be a "regime" acting in keeping with the desire and aspirations of the whole nation for reunification and commensurate with "civilian government" advertised by it, it must not follow in the footsteps of the preceding military fascist dictators but decisively break with the "fifth and sixth republics" and shape a genuine democratic politics, a politics of national unity favorable to reunification.

The South Korean authorities must abolish the "national security law" and dissolve the "security planning board" which their predecessors used as means of maintaining "power" and must stop suppressing the students and people who call for democracy and reunification.

The South Korean authorities must renounce the policy of dependence on outside forces and abide by the principle of national independence, manifest their will to get U.S. forces withdrawn and reject foreign interference in the internal affairs.

If they truly want national reconciliation and unity and aspire after peaceful reunification, they must readily accept the 10-point programme of the great unity of the whole nation for the Reunification of the country, instead of fomenting confrontation between the fellow countrymen over our fictitious "nuclear problem".

We urge the present rulers of South Korea not to tread the crime-woven road of the military fascist "regimes" but to stop fascist suppression of pro-reunification democratic forces and set out on the road of great national unity, the patriotic road of reunification.

International Women's Volleyball Tournament Opens

*SK0506094393 Pyongyang KCNA in English 0440
GMT 5 Jun 93*

[Text] Pyongyang, June 5 (KCNA)—The 1993 International Women's Volleyball Tournament opened with a due ceremony at the volleyball gymnasium in Chongchun street, Pyongyang, Friday.

Participating in the tournament are the Russian Federation, Mongolia, China, Japan and Korea (Group A and B).

The chairman of the organizing committee of the tournament made a speech at the opening ceremony before the first-day competition.

Tourney Continues

*SK0606085493 Pyongyang KCNA in English 0811
GMT 6 Jun 93*

[Text] Pyongyang, June 6 (KCNA)—The second-day matches of the 1993 International Women's Volleyball Tournament were held in Pyongyang Saturday.

The results of the games are as follows:

Korea (a) bt [beat] Korea (b) 3-0
Japan bt Russia 3-1
China bt Mongolia 3-0

Follow the results of the first-day games:

Korea (a) bt Japan 3-0
Russia bt Mongolia 3-0
China bt Korea (b) 3-0

The games continue.

3d Day Matches Held

*SK0806052493 Pyongyang KCNA in English 0426
GMT 8 Jun 93*

[Text] Pyongyang, June 8 (KCNA)—The third-day matches of the 1993 international women's volleyball tournament were held Monday [7 June] at the volleyball gymnasium in Chongchun Street.

The players in the matches showed high techniques by re-orienting their tactics, having grasped the opponents' tactics, techniques and vulnerable points in the first two days.

Follow the results of the games:

Korea (A) bt [beat] Mongolia 3-0
China bt Russia 3-0
Korea (B) bt Japan 3-2

The games continue.

Kim Il-song Receives Chairman Kang Il

*SK0706045493 Pyongyang KCNA in English 0432
GMT 7 Jun 93*

[Text] Pyongyang, June 7 (KCNA)—The great leader President Kim Il-song on June 6 received Kang Il, chairman of the Association for the Promotion of Korea's Reunification (ASOK), and his companion.

Present there was an official concerned.

President Kim Il-song had a cordial talk overflowing with compatriotic feelings with them.

He gave a luncheon for them.

Ethiopian President Supports DPRK Nuclear Issue

*SK0506114493 Pyongyang KCNA in English 1028
GMT 5 Jun 93*

[Text] Pyongyang, June 5 (KCNA)—“We are satisfied over the fact that the friendly relations between Ethiopia and Korea are invariably developing on good terms. We will do our utmost to develop the relations, said Zenawi Meles, president of the transitional government of Ethiopia, on June 2 when he met vice-president of the DPRK Yi Chong-ok.

The president said he regarded the “10-point programme of the great unity of the whole nation for the reunification of the country” put forward by His Excellency President Kim Il-song as a milestone for Korea's reunification.

“I hope Korea will be reunified at an early date by the efforts of the Korean people themselves,” he said, expressing support to the Korean people's cause of national reunification.

Opposing putting pressure upon the DPRK or rendering the situation strained because of its withdrawal from the Nuclear Non- Proliferation Treaty, he said:

“The ‘nuclear problem’ of the DPRK must be solved through dialogue and negotiation, not by pressure.”

Jurists Delegate Calls for Panel on Comfort Houses

*SK0406230893 Pyongyang KCNA in English 1503
GMT 4 Jun 93*

[Text] Pyongyang, June 4 (KCNA)—The delegate of the International Commission of Jurists, speaking at the working group meeting of the UN Commission on Human Rights on modern-type slaves held in Geneva on May 24, called for the establishment of a panel to confirm the problem of “comfort houses for the army”.

Noting that the “comfort women” problem had not been seriously discussed for over 40 years, he said the International Commission of Jurists had sent a delegation to the Philippines, North Korea, South Korea and Japan

some time ago to investigate the problem and worked out an intermediate report under the title “Comfort Women, Endless Distress.”

He said:

“At the end of the 1920s the Japanese Government, on the recommendation of officers of the Japanese Army, established a system to provide ‘comfort’ of women to soldiers and set up ‘comfort houses’ in Manchuria, Chinese territory under the occupation of the Japanese Army and the Southeast Asian region.

“Since the ‘comfort houses’ were under the control of the then Japanese Government, the government should admit its responsibility and set up a panel to confirm at an early date the cases of all women who have presented themselves so far.

“As the Allied Forces have documents on the location and maintenance of ‘comfort houses’ and their regulations and on former soldiers and women who were locked up in the ‘comfort houses’ they are under obligation to make public the documents they possess.”

The delegate recalled that the International Commission of Jurists had recommended in its report the publication of all the materials concerning the management of the “comfort houses” for the Japanese Army and immediate measures for compensations to individuals.

South Korea

No ‘Special Envoys’ Until DPRK Changes Stance

*SK0806082793 Seoul CHUNGANG ILBO in Korean
8 Jun 93 p 1*

[Text] Han Wan-sang, deputy prime minister and minister of the National Unification Board [NUB], said on 8 June: “Only when North Korea positively changes its attitude toward resolving the nuclear issue, including the revocation of its declaration to withdraw from the Nuclear Nonproliferation Treaty and the implementation of the Nuclear Safeguards Agreement with the International Atomic Energy Agency, will it be possible to discuss the issue of exchanging special envoys.”

In his report on “the promotion of North-South talks” given to a high-ranking party-government policy coordination meeting, Deputy Prime Minister Han said: “North Korea has not notified us of the list of delegates on 7 June. This is unprecedented. It seems that North Korea finds it difficult to draw up its position on the North-South contact and North Korean-U.S. negotiations.”

Deputy Prime Minister Han said: “Unless North Korea changes its attitude, the prospects for resolving the nuclear issue are not bright.” He added: “The North Korea-U.S. contact will serve as a watershed in negotiations on the nuclear issue.”

DPRK Shows No Reaction to South Proposal

SK0806020593 Seoul KBS-1 Radio Network in Korean
0100 GMT 8 Jun 93

[Text] The North Korean side has shown no reaction yet to our proposal for holding a working-level contact between representatives of North and South authorities at 1000 today in Panmunjom to discuss the nuclear issue and the issue of exchanging special envoys. Consequently, the working-level contact was not realized.

A government official concerned said this morning: The North Korean side originally proposed for holding a working-level contact today but has not sent any notice to our side yet, apparently on the pretext of our side's proposal calling for discussing the nuclear issue. Accordingly, our side did not send its two working-level representatives to Panmunjom.

The government official said: Success of the North-South working-level contact depends entirely on North Korea's attitude and North Korea's reservation in expressing its stance toward our proposal may be because it is reviewing its stand on the nuclear issue on the eve of the third U.S.-North Korean talks slated for 10 June.

DPRK Against Proposal

SK0806035493 Seoul KBS-1 Radio Network in Korean
0200 GMT 8 Jun 93

[Text] In a telephone message today [8 June] North Korea reiterated its proposal that only the exchange of special envoys be discussed at a working-level contact between the South and North authorities. It proposed that the contact be held on 10 June.

In today's telephone message signed by North Korean Premier of the Administration Council Kang Song-san, North Korea described as irresponsible our side's proposal that the nuclear issue be discussed at a working-level contact, because this issue can be resolved only with the determination of the top leaders of the South and the North. It also proposed holding a discussion on procedural matters for exchanging special envoys at the working-level contact.

This means that North Korea has turned down our proposal made yesterday that both the exchange of special envoys and the issue of achieving a breakthrough in the nuclear issue be discussed at the contact. Therefore, whether a North-South working-level contact can be held is uncertain.

North-South Trade Shrinks Since Oct

SK0506100293 Seoul YONHAP in English 0735 GMT
5 Jun 93

[Text] Seoul, June 5 (YONHAP)—Trade between South and North Korea has shrunk during the past eight

months since October last year due to the deterioration of foreign currency in the North and its controversial nuclear issues.

Sources at the Trade, Industry and Resources Ministry said Saturday that inter-Korean trade stood at 18 million U.S. dollars in May, down 15.6 percent from the same month a year earlier.

Two-way trade during the first five months this year also amounted to 73 million dollars, down 19 percent.

The South sold 683,000 dollars worth of products to the North in May, up 51.4 percent, but imports from the North slipped 17.2 percent to total 17.6 million dollars during the same period, they said.

Increases Sharply in May

SK0706100493 Seoul CHUNGANG ILBO in Korean
7 Jun 93 p 2

[Text] North-South exchange during May shows that the government's approval on trade with North Korea has greatly increased when compared with April, while the application for contacts with North Korean residents has more or less decreased.

The applications for contacts with North Korean residents during May totaled 72, somewhat lower than the April figure of 82 and the May 1992 figure of 100. These figures were provided by the National Unification Board on 7 June.

The breakdown of applications shows: applications for separated families contact ranks first, numbering 32; then comes applications for economic contacts numbering 23; applications for cultural contacts ranks third numbering four; applications for academic contacts ranks fourth, numbering three followed by other applications. Forty-two North-South trade contacts were approved during May amounting to \$18,340,000. This amount is 42 percent higher than \$12,958,000 generated from the 36 approved contacts in April.

Commonwealth Stage Said Needed for Reunification

SK0706085993 Seoul YONHAP in English 0818 GMT
7 Jun 93

[Text] Seoul, June 7 (YONHAP)—President Kim Yong-sam predicted Monday that Korea could be reunified in the first decade of the next century only if South and North Korea entered "a commonwealth stage, at least, during my term of office."

Kim, speaking at Chongwadae [presidential offices] to 173 people working for national reunification, including Yim Tong-won, chairman of the Central Council on National Reunification, said that this goal could be reached if the people made a concerted effort.

He reiterated the need to solve North Korea's nuclear issue for substantial improvement of the South-North relationship and added, "should North Korea show

sincerity in solving this issue, it would not only have ample opportunities of participating in the international community but also meet a turning point for its economic development."

His government would pursue a policy of co-existence and co-prosperity of South and North Korea for the welfare of the entire Korean people on a national consensus, he said, and he did not want North Korea to remain an orphan of the international community.

"Never before were the Korean people more required to strive to get over national division than now," he said, noting that an opportune time for Korean reunification was approaching amid the forming of a new world order in the wake of the collapse of the cold-war system of world politics.

President Praises PRC Efforts on Nuclear Issue

SK0806085593 Seoul YONHAP in English 0806 GMT
8 Jun 93

[Text] Seoul, June 8 (YONHAP)—President Kim Yong-sam commended China for its effort to solve the North Korean nuclear problem in a meeting with Tian Jiyun, first vice chairman of the Standing Committee of the Chinese National People's Congress, at Chongwadae on Tuesday afternoon.

Kim, saying he knew that China was well aware of the importance of the issue to the peace of Northeast Asia, said he expected it to continue playing a constructive role in the international community's endeavors to solve the problem.

"I hope vice chairman Tian's visit will mark a turning point for the parliaments of the two countries to increase mutual exchanges for increased understanding of the peoples of the two countries," he said.

Praising China's reforms and door-opening policies over the years, Kim said South Korea and China would make an ideal economic partnership if they cooperated in the resources, capital and technology areas and shared their development experience.

Tian earlier called on Prime Minister Hwang In-song at his office to discuss ways of increasing friendly and cooperative relations between the two countries.

After his Chongwadae visit, the Chinese parliamentary leader left for Taegu to give a speech at a dinner hosted by the ruling Democratic Liberal Party's Taegu city chapter for him.

Joint Trade Ministers To Meet in PRC in Oct

SK0506021093 Seoul YONHAP in English 0115 GMT
5 Jun 93

[Text] Seoul, June 5 (YONHAP)—The South Korean and Chinese trade ministers will meet in Beijing in late October to sign an agreement on industrial cooperation

between the two countries, a senior official of the Trade, Industry and Resources Ministry said on Saturday.

Seoul had requested a meeting in June or October and Beijing said it liked late October or early November, so they agreed to have the meeting in October and are consulting on details, he said.

A meeting between Trade, Industry and Resources Minister Kim Chol-su and Chinese Foreign Economic Relations and Trade Minister Wu Yi was scheduled for January, but was delayed by internal affairs of both governments.

The governments have agreed in principle to sign the industrial cooperation agreement during the Beijing meeting.

The agreement covers technology cooperation, joint projects, exchanges of the results of studies on joint projects, choosing exchange channels, putting Chinese high technology to commercial use and technology transfer, the official said.

Foreign Minister Meets Russian President Yeltsin

SK0806112893 Seoul YONHAP in English 1053 GMT
8 Jun 93

[Text] Moscow, June 8 (YONHAP)—Visiting South Korean Foreign Minister Han Sung-chu called on Russian President Boris Yeltsin at the Kremlin Tuesday afternoon to convey a personal message from President Kim Yong-sam and exchange opinions on matters of mutual interest.

In the message, President Kim said he hopes that cooperative relations between the two countries will be further developed now that the letters of ratification of the basic Korea-Russia treaty have been exchanged.

The Korean president thanked President Yeltsin for the cooperation his country showed in the efforts of the U.N. Security Council to resolve North Korea's nuclear issues.

Also in the message, President Kim extended appreciation to the Russian president for inviting him to visit Moscow. Kim said he hopes he could visit Russia at an appropriate time.

Minister Han told Korean reporters earlier in the day that there is the possibility that President Kim would visit Moscow some time in the second half of this year.

During his meeting with Minister Han, President Yeltsin reaffirmed his invitation of President Kim, saying, "I hope President Kim will visit Russia at a time convenient to him."

The foreign minister left Moscow for Poland, the next leg of his tour, Tuesday evening after winding up his stay in Russia.

Daily Interviews DPRK Ambassador to Austria

*SK0806071193 Seoul CHUNGANG ILBO in Korean
8 Jun 93 p 5*

[Interview with Kim Kwang-sop, DPRK ambassador to Austria, by Vienna-based correspondent Pae Myong-pok at the International Atomic Energy Agency building in Vienna on 7 June]

[Text] [Correspondent Pae Myong-pok] There is some opinion in the world that 12 June should not be the day when North Korea's withdrawal from the Nuclear Non-proliferation Treaty [NPT] should take effect.

[Ambassador Kim Kwang-sop] I do not know whether such world opinion exists or not. However, there is no doubt that 12 June is the day when withdrawal from the NPT will legally take effect. When our Foreign Ministry announced a statement on our decision to withdraw from the NPT on 12 March, we informed the UN Security Council of the decision and, at the same time, sent the statement to NPT member countries by fax through our UN Mission in New York. I can show a copy of this as evidence, if necessary.

[Pae] I understand there are many NPT member countries which have not been informed of this.

[Kim] That may be a failure at the working-level. However, I stress again that all legal procedures for informing all NPT member countries of our decision were completed three months ago.

[Pae] The day of North Korea's official withdrawal from the NPT is only five days away. Is there any possibility of a retraction of the decision to withdraw from the NPT before then?

[Kim] The third round of DPRK-U.S. high-level talks is scheduled for 10 June, and a North-South contact is to be held on 8 June to discuss the issue of exchanging special envoys between the North and the South. If and when summit talks between North and South Korea are realized through exchanging special envoys, all issues, including the nuclear issue, can be discussed. In particular, we had agreed with the United States to hold one round of high-level talks originally, but they extended the talks and have agreed to hold the third round of talks. This reflects the two countries' sincere attitude to resolving problems. Let us wait for results from the talks.

[Pae] Do you mean that North Korea will cancel its decision to withdraw from the NPT?

[Kim] I cannot comment because I have not been informed of the results of the DPRK-U.S. talks.

[Pae] Can North Korea rejoin the NPT after leaving it?

[Kim] Withdrawal from the NPT and admission into it are matters for each country's sovereignty and what each country decides independently. How can an ambassador comment on a matter of this importance. Anyway, let us wait.

[Pae] Has North Korea's rejection of the special inspections of the two facilities, which the International Atomic Energy Agency has demanded, not changed?

[Kim] They are military facilities [kunsu isol]. Our official position that we reject special inspections of these military facilities remains unchanged.

[Pae] The United States has proposed mutual inspections and agreed on North Korean inspections of the U.S. military facilities in South Korea. Therefore, North Korea has no reason to reject inspections on the mere grounds that they are military facilities, does it?

[Kim] All of the issues, including this one, will be discussed at the DPRK-U.S. talks. I have merely reiterated our official position on this issue.

[Pae] The United Nations has already started to mention economic sanctions against North Korea. What will happen if economic sanctions are imposed?

[Kim] We have been suffering already from virtual economic sanctions by the United States. Economic sanctions would have an adverse effect on North-South relations.

Malaysia To Host Asia-Pacific Security Dialogue

*SK0706044193 Seoul YONHAP in English 0132 GMT
7 Jun 93*

[Text] Seoul, June 7 (YONHAP)—An informal Asia-Pacific regional security dialogue opening Monday [7 June] in Kuala Lumpur may give Seoul its first chance to collect responses to its proposal for a collective security system in the area, Foreign Ministry officials said Monday.

The "Asia-Pacific round table" in the Malaysian capital June 7-9 is for informal talks among scholars to define the concept and method of regional security dialogue.

The talks, planned by Malaysia from 1987, will be followed by a one-day meeting among government officials in which Seoul hopes to tap reactions to the foreign minister's proposal for a "mini-CSCE (Conference on Security and Cooperation in Europe)," according to the officials.

Korea, declaring "new diplomacy," has stressed the need for regional security cooperation and Foreign Minister Han Sung-chu suggested a mini-CSCE format that would include the United States.

Round table participants include Korea, the United States, Japan, China and Russia. Six members of the Association of Southeast Asian Nations (ASEAN) are also attending the meeting.

Kim Young-ki, senior policy coordinator at the Foreign Ministry, Prof. An Pyong-chun of Yonsei University and Prof. Chang Tal-chung of Seoul National University are representing Korea.

Survey Examines President's First 100 Days

SK0506010193 Seoul HANGUK ILBO in Korean
4 Jun 93 p 5

[2 June telephone survey of 700 men and women on President Kim Yong-sam's first 100 days in office]

[Excerpts] [passage omitted] When asked how much has changed in overall state affairs and in other matters since the new government set sail, 87.3 percent of the respondents said that change has taken place while only 10.6 percent said that nothing has changed. [passage omitted]

On the question of how well President Kim carries out his duties as president, an overwhelming 95 percent responded that he is doing a good job [passage omitted].

When asked about the reform work in the economic field by the new government, 52.7 percent gave a positive response while 41.2 percent gave a negative response. [passage omitted]

On the effectiveness of the new economy's 100-day plan such as easing regulations for economic activities and restraining the government's financial expenditure, 68.7 percent responded that this is effective while 21.7 percent said that it is not effective. [passage omitted]

When asked about the situation of the household economy since the new government set sail, 79.9 percent said that it was about the same as before, 12.1 percent said that the situation has worsened, and only 8 percent said that the situation has improved. [passage omitted]

When asked about the price trend since the new government set sail, 53.7 percent responded that it was the same as before while 22.7 percent and 22.4 percent said that it has become stable and it has become unstable respectively. [passage omitted]

Regarding the new government's capability to resolve the South-North issue, 72.1 percent made a positive response while 18 percent were pessimistic about the new government's capability. [passage omitted]

When asked if their attitude about civil servants has changed since the new government set sail, 74.6 percent responded that their attitude has changed [passage omitted].

On the other hand, 21.9 percent of the respondents said that there has not been much change and 2 percent said that there was no change at all. [passage omitted]

When asked which institution seemed to be the weakest in the will for reform, 17.7 percent said that it was the people themselves. Next were the business circles (11.1 percent), the Democratic Liberal Party (11 percent), the judiciary (8 percent), the administration (7.9 percent), the military (5.9 percent), and the Democratic Party (4.1 percent). [passage omitted]

When asked if they had expectations for the opposition parties, 56.4 percent responded that they did. [passage omitted]

On the other hand, 39 percent said that they have no expectations for the opposition parties. [passage omitted]

Regarding the method of promoting reform, 47.9 percent said that the past irregularities should be eliminated first while 47.7 percent said that a concrete reform plan should be put forth first. [passage omitted]

When asked about the government's policy to change the direction of inspection which was mostly carried out to eliminate high-ranking government officials in the private sector, 95.1 percent responded that it is very desirable. [passage omitted]

When asked about the fairness of the government's activities of scrutiny, 73.6 percent assessed that it was fair while 22.5 percent said that it was unfair. [passage omitted]

Prosecution Questions Yi Chong-chan About Merger

SK0706071293 Seoul YONHAP in English 0635 GMT
7 Jun 93

[Text] Seoul, June 7 (YONHAP)—The prosecution said Monday it had questioned Rep. Yi Chong-chan in connection with a suit filed by three members of the New Korea Party against Chong Chu-yong, the founder and presidential candidate of the United People's Party [UPP].

In their suit, Kim Ki-son and the two others allege that Chong defamed their party when the tycoon claimed that he gave 5 billion won to Yi when the two parties merged shortly before the Dec. 18 presidential election last year.

In three and a half hours of questioning on Sunday [6 June], Yi told investigators that during the merger discussions there had been talk of the United People's Party taking over the New Korea Party's debts, which amounted to 10 billion won, but the New Korea Party never received money from Chong.

In February, however, Chong had told the prosecution that he had promised to give 5 billion won to Yi but did not know whether the money was actually handed to Yi because the matter was handled at the "working level" of his party.

To clear up the discrepancy, the prosecution plans to summon Chong, founder and honorary chairman of the Hyundai Business Group, on Tuesday for further questioning.

There was a possibility, an official at the Seoul district prosecutor's office said, that they might confront Chong with Yi during the questioning.

The prosecution is also studying whether both Chong and Yi could be prosecuted for violating the election law,

specifically on charges of bribing a presidential candidate to withdraw his or her candidacy.

In a separate development, the prosecution plans to question Chong in connection with another suit, filed by four members of the United People's Party against Chong for violation of the election law.

Earlier, the prosecution summoned Rep. Chong Mong-chun, Chong's son and a former senior UPP official, and three other former and present members of the United People's Party to answer charges leveled against the UPP in the suit. The prosecution is expected to decide whether to raise a case against them within this week, officials said.

Opposition Criticizes President Kim Yong-sam

*SK0506071693 Seoul YONHAP in English 0600 GMT
5 Jun 93*

[Text] Seoul, June 4 (YONHAP)—Yi Ki-taek, chairman of the main opposition Democratic Party, said Saturday that President Kim Yong-sam's reform program was progressively losing its main purpose, direction, objective and standard as the days passed.

Moreover, Yi declared, the Kim administration was touting its investigations of irregularities and corrupt officials as though they were an end in themselves.

"This kind of development is destroying the balance of power among the three—administrative, judicial and legislative—branches of government, which are the roots of democracy," Yi told a press conference at party headquarters Saturday to give his evaluation of Kim's performance after his first 100 days in office.

The Democratic Party had given a positive evaluation of Kim's reforms and made humble proposals for his policy, Yi said. But they were ignored completely and without any justifiable reason by the administration, heightening the people's suspicion of the political circles.

"Circumstances such as these are sending a red signal for the neo-authoritarianism," Yi said.

The wrong direction that Kim's reforms had taken should be corrected immediately in order for sustained progress of reforms, Yi said.

If these demands are not heeded, Yi went on, the Democratic Party would take appropriate action.

The 10 most urgent tasks for reform envisaged by the Democratic Party include realization of the real-name financial transaction system and the independence of the Bank of Korea, the abolition of the National Security Law and its replacement with a democratic law for order and protection, abandonment of the right to criminal investigation by the Agency for National Security Planning and disclosure of agency's budget, and elections of chiefs of local governments.

Other tasks for reform that the Democratic Party wants are revision of laws governing elections, political parties and political funds, revision of laws on private universities that have fostered illegal entries, a government guarantee of political activities for labor unions, enactment of a law aimed at helping farmers to overcome their current difficulties, a system of public hearings for government appointments and a special auditing system and higher pay for public officials.

The opposition party also wants, among other things, for the government to investigate and make public any abuse of political funds for the presidential election in December and investigate the May 16, 1961, coup d'etat, the Dec. 12, 1979, "coup-like incident," and the bloody suppression of the May 17, 1980, Kwangju democratic movement. It demands the punishment or retirement from public office of all those who were responsible for these events.

BAI Says Number of Army Officials Exceeds Limit

*SK0506071393 Seoul YONHAP in English 0536 GMT
5 Jun 93*

[Text] Seoul, June 5 (YONHAP)—The Army will promote 20 percent fewer officers to the ranks of brigadier general and colonel in October than last year as the Board of Audit and Inspection [BAI] has taken issue the Army's having more officers than it is allowed to by law.

The excess is due to delayed retirement under an amendment to the Armed Forces Personnel Law in 1989, Defense Ministry sources said Saturday.

In October, the Army will name 35 new one-star generals and 160 new colonels against last year's 43 and 200, respectively.

The Navy and Air Force will not cut back on promotions as they lost a good number of generals and field-grade officers in the money-for-promotion scandal.

In an audit of the Defense Ministry in March and April, the BAI found the Armed Services had 62 generals and 1,183 field-grade officers more than authorized.

Burma

Tin U: Eliminate 'Western-Style Human Rights'

BK0706140793 Hong Kong AFP in English 1558 GMT
6 Jun 93

[Text] Bangkok, June 6 (AFP)—A senior Burmese junta member said Sunday that people who support Western-style human rights should be weeded out of local government and other jobs in Burma that deal with the public, state-run Radio Rangoon reported. It quoted Lieutenant General Tin U, who spoke to a gathering of local government officials one day before the nation's Constitutional Convention reconvenes in Rangoon, as saying Western-style human rights were dangerous to Burma.

The government should "clean out" those people as soon as possible, the broadcast, monitored here, quoted the general as saying. He did not specify what should be done with these people.

Government officials should promote Burmese ethics, heritage and culture, said Tin U, who is second secretary of the State Law and Order Restoration Council (SLORC), the formal name of the ruling junta. SLORC is following its own plan to develop Burma and people should adhere to its teachings, the general said.

"We must rule ourselves our own way according to our traditions," Tin U said.

He accused unidentified foreign groups of interfering in Burma's internal affairs by trying to force it to accept Western-style human rights.

The United Nations, Amnesty International and a host of other organizations have repeatedly criticized Burma's military government for its poor human rights record.

More than 600 members of the Constitutional Convention meet again Monday in Rangoon after a two-month break because of the hot weather. They are charged with drafting a new charter for the country, one that the SLORC has said must enshrine a leading role for the military.

Convention Resumes; Military Demands Special Powers

BK0706142793 Hong Kong AFP in English 1116 GMT
7 Jun 93

[By Khin Maung Thwin]

[Text] Rangoon, June 7 (AFP)—Burma's national convention, aimed at drawing up a new constitution for this nation of 42 million, resumed Monday [6 June] with the ruling military demanding again that it be given specific rights, including authority to act independently during a national emergency. The 680 convention delegates were told by Rangoon's military commander, Lieutenant

General Myo Nyunt, that "when emergencies do occur, it is imperative that the person who is able to overcome such emergencies be given the powers of doing it".

"It would be necessary to lay down principles as to how many representatives of the Tatmadaw (military) are to be included in the different levels, ranging from the central to the district level, and in what role they are to carry out their responsibilities," he said.

Since independence from Britain in 1948, Burma's military has seized power on three occasions, the latest in September 1988 in a bloody suppression of a nationwide pro-democracy uprising which left thousands of people killed.

The convention resumed after a two-month-long recess.

But while delegates handpicked by the ruling State Law and Order Restoration Council (SLORC) would follow the official line, those from political parties and elected representatives are expected to continue to express dissenting views concerning the nation's future, analysts said. Members of the Shan Nationalities League for Democracy (SNLD) told AFP earlier they would be letting the National League for Democracy (NLD), which made a clean sweep of the 1990 elections but was prevented by the military from assuming power, take the lead and "play it by ear".

"We have made our position clear in earlier sessions of the convention", SNLD chairman Khun Tun U said, without elaboration.

In a further clarification of the military's role in the future, chairman of the convention's work committee Aung Toe said it would also be essential to lay down fundamental principles to enable the military to participate and assist "meaningfully in legislative and administrative matters".

"In order to avoid and prevent political constraints and controls from becoming pervasively influential over the armed forces, a fundamental principle should be laid down, that the defence services Commander-in-Chief is the supreme commander of all the armed organizations", he said. The military, he went on, should have the right to "independently and freely" carry out its own affairs including matters concerning deployment, armament and military accounts, among others".

With regard to the structure of the State the military also advocated a "fully empowered presidential administrative system" on a bi-cameral basis.

"The national leader who will lead the future Myanmar Naingngan (Burma) should be one of vast experience in politics, administration, economic and defence matters and who should be able to carry out his responsibilities ... without any constraints whatsoever", General Myo Nyunt said.

Another matter of likely controversy, according to observers here, was his suggestion that the delegates

should consider using non-racial names for the various states and administrative divisions. Burma's seven states have been named after the country's seven main ethnic groups, which include the Kachin, Karen and the Shans.

"Within the contemporary context, there are numerous cases in which conflicts continue unabated as a result of the fact that certain regions have been given the names of specific nationalities or national groups", he said.

In a recent speech to SLORC cadres, the council's leader General Than Shwe said that "the Western norms of human rights and democracy are incompatible with those of Asian nations".

The new constitution the national convention is to elaborate is supposed to turn Burma into a democracy.

The delegates were given three days to study Monday's speeches, before breaking up into various syndicates for further discussions. It is unclear how long it would take to complete discussions on the 15 chapter headings of the future constitution, of which "the fundamental principles of the State" is the first.

Myo Nyunt Addresses National Convention 7 Jun

BK0706081693 Rangoon Radio Burma in English 0735 GMT 7 Jun 93

[Text] The meeting of the National Convention was held this morning at 1000 in the Central Meeting Hall of the President's compound on Ahlone Road. It was attended by Chairman of the National Convention Convening Commission Lieutenant General Myo Nyunt and commission members; Chairman of the National Convention Convening Work Committee U Aung Toe and work committee members; Chairman of the Management Committee Brigadier General Tin Aye and committee members; national convention delegates, and internal and external journalists, and newsmen.

Chairman of the National Convention Convening Commission Lt. Gen. Myo Nyunt presided as chairman, and Secretary of the National Convention Convening Commission Brig. Gen. Aung Thein acted as master of ceremony. The master of ceremony declared the meeting valid as the meeting was attended by 680 national convention delegates.

Chairman of the National Convention Convening Commission Lt. Gen. Myo Nyunt delivered an address, and Chairman of the National Convention Convening Work Committee U Aung Toe explained on matters concerning dissemination of the six basic principles. The National Convention meeting concluded at 1112.

Senior General Than Shwe Addresses 3 Jun Meeting

BK0406104793 Rangoon Radio Burma in Burmese 1330 GMT 3 Jun 93

[Excerpts] The second day of the first quarterly coordination meeting for 1993 between the State Law and

Order Restoration Council [SLORC] and state and divisional law and order restoration councils continued at 1000 this morning at a meeting hall of the Office of the Army Commander in Chief. At the meeting, Senior General Than Shwe, chairman of the SLORC and commander in chief of the Defense Services, delivered a closing address.

The meeting was attended by deputy prime ministers Vice Admiral Maung Maung Khin and Lieutenant General Tin Tun; Lt. Gen. Maung Aye, deputy commander in chief of the Defense Services and commander in chief of the Army; members of the SLORC, the secretary-1 and secretary-2 of the SLORC; ministers, the chief justice, the attorney general, the deputy auditor general, and the chairman of the Public Service Selection and Training Board; high-ranking officers from the Ministry of Defense; commanders and division commanders; deputy ministers; chairmen of the state and division law and order restoration councils; and responsible personnel. Lieutenant Colonel Pe Nyein, director general of the Office of the SLORC, acted as secretary of the meeting.

In accordance with the agenda, the ministers presented the plans and work being undertaken by their respective ministries for the development of the country and explained matters concerning the cases presented by the states and divisions. Then, Lt. Gen. Khin Nyunt, secretary-1 of the SLORC, presented matters concerning the national convention and present political situation. Lt. Gen. Tin U, secretary-2 of the SLORC, then presented matters concerning the organization of various levels of law and order restoration councils and their responsibilities, and the economy of the country. Next, Sr. Gen. Than Shwe, chairman of the SLORC and commander in chief of the Defense Services, delivered a closing address. [passage omitted]

Sr. Gen. Than Shwe said the reason for assiduously working for the country's economic development is to improve the living standard of the public. He added that in general, the growth of a nation depends on the economic development of that nation. That is why we all must strive very hard for economic development. He said continued efforts must be made to maintain economic growth in 1993-94, and continued efforts must be made to increase the production of paddy—an important crop to the economy of our country—in order to meet the set target. He said other crops must also be cultivated proportionately for economic development. [passage omitted]

Continuing, he said while it is necessary to seriously conserve and protect the forests in our environment from depletion and destruction, it is also necessary to work together to create new forests.

He said we are striving for economic development; at the same time, politically, we are also marching along the path that should be followed. He said work is being undertaken to obtain basic principles to draft the state

constitution as a first step in establishing a new state that is suitable for our nation. While carrying out this task, it is necessary to be aware of fomentation and instigation from internal and external destructive elements.

Sr. Gen. Than Shwe explained that while it is necessary to develop economically, it is also necessary to inform the public of our political tasks being undertaken and our political objectives. He said work must be undertaken by cooperating with the public. The external forces that have ill will toward us are instigating the people by using human rights and democracy as an excuse. The Western countries' human rights and standards of democracy cannot be the same as our Asian standards. We must choose the human rights standard and the democratic path compatible with the tradition of our country and people.

Concluding his address, Sr. Gen. Than Shwe said in procuring public labor for undertaking tasks in the public interest, mistakes wasting people's energy and labor should be avoided.

The meeting ended at 1530.

Former Diplomat Returns From Exile in New Delhi

BK0506092193 Rangoon Burma Television Network in Burmese 1330 GMT 4 Jun 93

[Text] U William Han Lwin, former second secretary at the Myanmar [Burmese] Embassy in New Delhi, who sought political asylum and lived in India, on 27 May returned to Yangon [Rangoon] along with his wife, Daw San San Win, and five children after surrendering at the Myanmar Embassy in New Delhi.

U William Han Lwin, who worked as second secretary at the Myanmar Embassy in New Delhi starting in March 1987, was in New Delhi during the [1988 demonstrations] events. He supported the declaration of the Foreign Affairs Personnel Union, which was formed illegally in Yangon. Under persuasion by U Maw Thiri and Daw Than Than Nu from the All India Radio Burmese service during November 1988, he left the embassy housing area and sought political asylum from India.

U William Han Lwin and his family were granted a residential permit which is valid until the end of 1993. U William Han Lwin and his family lived in India with the assistance of U Maw Thiri and Daw Than Than Nu and 2,705 rupees in financial aid from the UN High Commission for Refugees [UNHCR]. It has been learned that many organizations emerged, such as the All Burma Students Union [ABSU] composed of those who fled to India and were organized by Daw Than Than Nu, the Friendship of Burma League [BFL] organized by U Maw Thiri, and the BDFF [expansion unknown] based in (Laiku) Township in (Morei).

These organizations have been used to collect funds for political purposes and financial proceeds are used for

living expenses. It has been learned that there is no unity among these organizations and that there is infighting among them. It has also been learned that the UNHCR plans to terminate its monthly financial support of 800 rupees to the Burmese refugees. These conditions have greatly distressed U William Han Lwin.

U William Han Lwin said U Maw Thiri and Daw Than Than Nu reneged on their pledge to take care of his family's living expenses during their stay and that the UNHCR personnel, who did not allow refugees to come through the front door and allowed access only through the back door, treated them as subhumans. U William Han Lwin said as his children grew he was worried that they might marry foreigners. He said he decided to return to Myanmar and to surrender as the Myanmar Government is holding the National Convention and is warmly welcoming even the armed insurgents. He believes the government will forgive political asylum seekers like him.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Discusses Upcoming PRC Visit

BK0806085693 Kuala Lumpur BERNAMA in English 0749 GMT 8 Jun 93

[Text] Kuala Lumpur, June 8 (OANA—BERNAMA)—The prime minister, Datuk Sri Dr. Mahathir Mohamed will discuss several important bilateral and international issues during his visit to China next week. He said he looked forward to being enlightened on the role that China would like to play, especially in East Asia.

This visit is for me to see the developments in China since my last trip there in 1985, he told reporters after opening the G-15 [Group of 15] experts group meeting on exchange of information on national economic policies at Hotel Istana here. He said he would visit places which he had not been able to tour during the short trip earlier.

Dr. Mahathir is scheduled to visit China for 10 days beginning June 14. He will be leading a 290-man delegation.

According to reports, Malaysian and Chinese businessmen would sign at least 12 agreements to enter into deals worth millions of ringgit during Dr. Mahathir's visit. These include deals to build electric power stations, amusement parks, housing projects and to manufacture foodstuff.

Dr. Mahathir said Malaysia presently exported more than one million tonnes of palm oil and other items to China.

On the G-15 membership, Dr. Mahathir said it could be expanded to accommodate other countries interested in joining the group. Malaysia believed that China is one of

the countries that could be accepted as a member of the group. We are not limiting it to only 15 countries ... The present number which identifies the group is only to facilitate its formation, he said. Just as the G-77 [Group of 77] now has more than 100 members, the G-15 too could be expanded, he said. Dr. Mahathir said the group once had 16 members, but Yugoslavia was no longer regarded as one since that country was non-existent now.

To another question, Dr. Mahathir said developing countries have much to gain from having ties with semi-developed nations in East Asia such as [South] Korea, Taiwan, Hong Kong, and Japan. It will help them in their development ... just as it helps Malaysia to have relations with these countries, he said.

Urges South To Integrate Economies

*BK0806090493 Kuala Lumpur BERNAMA in English
0755 GMT 8 Jun 93*

[Text] Kuala Lumpur, June 8 (OANA—BERNAMA)—Prime Minister Dr. Mahathir Mohamed suggested that the group of 15 countries (G-15) comprising developing nations of the South explore the possibility of linking up with East Asian economies and shift from depending on the North for aid, technology transfer, and management expertise. He said the time was now right for the South countries to take control of their destiny rather than continue to submit to the dictates of others.

I am confident specific niches can be found to integrate our economies, he said at the opening of the first G-15 expert group meeting on the exchange of information on national economic policies of member countries here Tuesday. He added that the vast diversity in the levels of development of South countries must be viewed as an opportunity to establish better links as managing their economies as a group would create greater complementarities in production, trade, and investment.

While saying that efforts must be made by member countries to increase South-South linkages and cooperation, Dr. Mahathir said the South would have to look within itself for the creativity and potential that could be harnessed to accelerate development and growth. He added that there was much that South countries could offer each other in terms of trade and investment opportunities given the fact that total population of G-15 member countries constituted a market potential of 1.6 billion consumers.

Dr. Mahathir said although these countries produce similar goods and become competitors to each other, there are also many things that can be usefully traded with each other. Citing examples, he said some countries of the South like India and some Latin American countries are technologically quite advanced and offer opportunities for collaboration. Others may have developed expertise in trading and services activities and yet others have large natural resource endowments or simply large working populations or domestic markets. All these strategies can form a useful base for greater trading,

investment, and other economic linkages in the near future if only we are willing to get together more often to talk and identify these areas of mutual benefit and act on them, Dr. Mahathir also said.

The prime minister said to nurture such linkages, all nations of the South must put their economies on a sound footing as political and economic stability would facilitate not only the retention of domestic savings and investments but also attract the inflow of foreign investments. He added that without such predictable stability, economic and social pursuits would focus on speculative activities which produced no long-term benefit.

Dr. Mahathir also said that it is this realisation that has motivated the establishment of the G-15 expert group for the exchange of information on national economic policies of member countries (EINEP). He said technocrats responsible for national economic planning would have an opportunity at this meeting to obtain first-hand information and a good understanding of member countries' economies and their economic policies. Potentials for enhancing South-South economic cooperation can be identified and made use of, he said, adding that for the short term this meeting hoped to achieve modest objectives.

Basically, he said the EINEP would provide exposure for national economic policies and an update on important economic information, develop a network of information for formulating strategic actions in north-south relationships, provide a channel to resolve controversial issues, and strengthen the working relationships between economic planners.

To provide the initial impetus for the deliberations at the meeting, Dr. Mahathir highlighted some of Malaysia's major experiences to start early discussions. He said Malaysia had demonstrated for the past two decades that growth with equity were compatible objectives that have brought some measurable success to the country. He said Malaysia's growth strategy was to focus on balanced development and it had also tide over the world recession during the mid-80's by adopting policies which emphasised frugality, efficiencies, and increased productivity, market oriented programmes, sound redistribution policies, and investment in human resources.

Maintaining price stability had been a formidable task for many developing countries, Dr. Mahathir said, as such it was really a challenge to explore the possibilities of pursuing high growth with low inflation. He also said Malaysia had been successful in implementing policies on privatisation, deregulation, and liberalisation with the emergence of a strong and well distributed entrepreneurial private sector. Fortunately, we have not made too many mistakes, as evident by the success of privatised agencies which have shown significant improvement in terms of efficiency and profitability. We have gained much experience in implementing this policy, which has been translated into a positive instrument of

economic management of the nation and we are ready to share this valuable experience with other G-15 member countries, he added.

Dr. Mahathir was hopeful this meeting would jump start a regular series of such meetings among the economic planners of G-15 member countries and that they would be successful in formulating and translating proposals into action programmes for adoption and implementation by developing countries. More importantly, he felt better economic relationship could be established among the G-15 countries in order to chart their future destiny.

Commentary Hails Regional Security Meeting

BK0706153593 Kuala Lumpur Voice of Malaysia in English 0800 GMT 0800 GMT 7 Jun 93

[Station commentary]

[Text] Security is a vital objective for any government in any part of the world. Even Asia-Pacific roundtable on security in the Asia-Pacific region in Kuala Lumpur this week promises to be an interesting event. Malaysian Foreign Minister Abdullah Ahmad Badawi views this meeting as the occasion for a thorough review of all aspects of security in this part of the world. For a very long time, the superpowers were major players in ASEAN and Pacific security. The changes in the power pattern in recent years have led to a reorientation. Often, one gets the impression that the United States, for example, is not keen on making a comeback to Southeast Asia. The colossal military defeat in Vietnam has had a big psychological impact on American strategic planning. On the other hand, American interests are still vital, and at least a presence of some kind, however small or inconspicuous it may be, will be acceptable to ASEAN members and others. In fact, as an organization or regional association, ASEAN had never attached priority to strategic or security matters. The tacit understanding was that if the situation demanded it, ASEAN members would close their ranks and respond to the challenge or threat from outside.

Another aspect of security in this part of the world relates to the nuclear reality. North Korea's intransigent policy toward nuclear weapons is well known. ASEAN supports the recognition of Southeast Asia as a zone of peace, freedom, and neutrality or ZOPFAN. That historical concept was formulated after an ASEAN conference held in Kuala Lumpur more than two decades ago. It is not a concept itself [words indistinct] of enforcing it seriously that give rise to difficulties. Many of the smaller nations in the South Pacific [word indistinct] the movement of ships carrying nuclear weapons.

A new understanding is required on this matter in the context of present-day reality. New powers arise in Asia. Japan's economic might is well known. Whether Japan will want to build up its military and naval strength commensurate with its economic power is difficult to forecast. At the same time, the rapid buildup of China's military forces is causing concern. This has a special

relevance to the territorial claims over the Spratly Islands. Several countries, in fact, have territorial claims in these areas. Frankly speaking, the goal of all countries, including the former communist one is economic development. But, they (?could) reduce defense expenditure if there were a lessening of tension and suspicion. The Kuala Lumpur meeting cannot be expected to solve all security problems. It can, however, lead to a better understanding and appreciation of the vital strategic picture.

Oil Exploration Agreement Signed With SRV

BK0406102893 Kuala Lumpur BERNAMA in English 0749 GMT 4 Jun 93

[Text] Kuala Lumpur, June 4 (OANA-BERNAMA)—Malaysia and Vietnam Friday signed and exchanged diplomatic notes on exploration and exploitation of petroleum in a defined area of their common waters. Foreign Ministry Secretary-General Ahmad Kamil Jaafar signed on behalf of the Malaysian Government while Vietnam was represented by its ambassador, Ngo Tat To.

Speaking to reporters later, Ahmad Kamil said the exchange of Friday's diplomatic notes was to bring into force the memorandum of understanding signed by the prime ministers of the two countries here on June 5, last year. He said the exploration involved an area of 1,358 square kilometres of the continental shelf covering the northern part of the east coast of Peninsular Malaysia and south west of Vietnam. The 40-year agreement which will be effective today will be reviewed if necessary, he said. When asked on the sovereignty of the areas involved, Ahmad Kamil said that it was a different issue that would be dealt with at another time.

Both the Malaysian National Oil Corporation (Petronas) and Petrovietnam will undertake the project.

According to Ahmad Kamil, the cost and profit of the project, which is already underway, would be shared equally by both countries. He said that a joint committee would be set up by the two companies to work on the project. The committee would meet in Hanoi on June 14 for further discussions and to iron out unresolved matters, he said. Our action is in line with the 1982 Convention of the Sea which requires states confronted with a situation such as that faced by us to enter into provisional arrangements of a practical nature pending a final solution, he said.

Ahmad Kamil said that Malaysia had a similar agreement with Thailand relating to an area near the Gulf of Siam. He hoped the agreement would set an example for other countries in the region.

Government To Consider Human Rights 'Constructively'

BK0406085893 Kuala Lumpur Radio Malaysia Network in English 0800 GMT 4 May 93

[Text] Malaysia hopes the forthcoming world conference on human rights will produce a clear consensus on an international and balanced treatment of human rights.

The head of Malaysia's delegation to the UN Commission on Human Rights, Datuk Musa Hitam, said the conference would hopefully consider the dynamic and evolving process of international standard. Briefing reporters in Kuala Lumpur, he said Malaysia was looking forward to consider things constructively in the process.

Datuk Musa, a former deputy prime minister, said Malaysia is mindful of the defenses and the perception of human rights between the west and the developing countries. Malaysia has witnessed the latest monitoring of human rights situations particularly in Third World countries against the yardstick held out by the West.

A 13-member Malaysian delegation will attend the conference in Vienna from June the 14th to 21st. Datuk Musa said with the conference taking place in the heart of Europe it should jolt Western powers to act decisively in dealing with the gross violations of human rights in Bosnia-Herzegovina. To continue to ignore the situation in Bosnia would make a mockery of statements advocating human rights.

ASEAN Members Urged To Cut Tariffs Early

BK0706155893 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 7 Jun 93

[Text] Malaysia has urged other ASEAN members not to hold back up to five years in making effective tariff cuts on their products listed under the Common Effective Preferential Tariffs [CEPT] to realize the ASEAN Free Trade Area [AFTA] within the 15-year time frame beginning this year. Minister of International Trade and Industry Datuk Sri Rafidah Aziz said Malaysia was expected to make national tariff cuts next year for a period of three years [words indistinct] as it started a tariff reduction scheme earlier than ASEAN countries. She said Malaysia had taken only three years to make national tariff cuts before making substantial cuts on certain products, and the five years as indicated by some ASEAN member countries was too long.

She said this to newsmen after launching a one-day seminar on the latest developments on AFTA and CEPT organized by the Federation of Malaysian Manufacturers in Kuala Lumpur. Malaysia was expected to make national tariff cuts on products to be listed on the next budget announcement. This will enable the private sector to adjust to the process of eventual tariff reductions to not more than 5 percent when AFTA is realized.

Singapore

Environment Minister, Parliamentary Secretary Resign

BK0706121493 Singapore Singapore Broadcasting Corporation in English 1100 GMT 7 Jun 93

[Summary from poor reception] The environment minister, Dr. Ahmad Mattar, and the parliamentary secretary for home affairs and labor, Dr. Ong Chit Chung, have resigned. A statement from the Prime Minister's Office said that the president has accepted their resignation. Their last day in office will be the 30th of June. Mr. Mah Bow Tan, minister for communications, will be appointed concurrently the minister of environment on the fourth of July. Mr. [name indistinct] will be appointed minister of state for environment also from the fourth of July. He will also be in charge of Muslim Affairs and will attend cabinet meetings. He relinquished his post of deputy speaker.

Mr. (Ho Tian Chu) will be appointed parliamentary secretary for home affairs on the first of August. He will be on loan from the MAS [Monetary Authority of Singapore] for a period of two years.

The statement said Dr. Mattar wrote to the prime minister in September 1991, asking that his current term in parliament be his last. He intended to step down in 1992. He wrote again on the 16th of April this year, asking to step down for personal reasons. Dr. Ong Chit Tung wrote on the 10th of April, stating that he wanted to join the private sector. The prime minister praised Dr. Mattar's significant contribution to the leadership of the Malay community as well as to the government and Singapore. He also thanked Dr. Ong for his valuable service as parliamentary secretary for home affairs and labor. In a letter to Dr. Mattar, the prime minister accepted Dr. Mattar's resignation with regret.

Government Incorporates Firm for PRC Investment

BK0706025993 Singapore BUSINESS TIMES in English 3 Jun p 9

[Text] SINGAPORE—Government holding company Temasek Holdings has incorporated an investment vehicle for China with partners from Singapore and Hongkong.

The four partners in China-Singapore International Pte Ltd [CS]—which include Wing Tai Holdings and Straits Steamship Land—announced the tie-up in a joint statement to the Stock Exchange of Singapore [SES] on Monday.

The new company, registered here with an initial issued capital of \$20 million, will "seek and develop investment opportunities" in China.

Both garment and property concern Wing Tai and Straits Steamship Land [SSL], the property arm of government-linked Keppel group, are listed on the SES. The last partner, and possibly the leader, in the venture is Hongkong's World-Wide Investment Company.

The statement to the SES comes three months after the intended alliance was announced.

According to the earlier announcement, World-Wide and Wing Tai will each own 30 per cent of CS while the Singapore government-related companies will hold 20 per cent each.

Dr Edgar Cheng, who has an interest in World-Wide and whose family owns Wing Tai, will chair the CS board in addition to his present chairmanship of Wing Tai and WorldWide.

This suggests that investments by CS could be spearheaded by World-Wide's interests, although the Singapore partners have declined to comment on potential projects for the company.

Dr Cheng could not be contacted in Hongkong. A spokesman for World-Wide told BT that "nothing has been finalised yet".

However, it has been reported in the last three months that the consortium was exploring potential property projects in Zhejiang province, as well as developing the port in its coastal city Ningbo, where Dr Cheng was made economic adviser last November.

The World-Wide spokesman stressed that the four shareholders would be involved in CS International's projects.

Last October, SSL joined three other Singapore companies in forming an outfit to invest in property in China.

The company is New Resources (Singapore). It is jointly owned by SSL, United Overseas Land, DBS [Development Bank of Singapore] and Sembawang Shipyard.

CS International is the second collaboration for SSL and Temasek in China. In January Temasek took a small stake in a \$65.6 million holiday resort and golf course developed by SSL in Kunming, a city in south-west China.

Cambodia

Ranariddh Rejects Government Call for Inquiry

BK0706151093 Hong Kong AFP in English 1433 GMT 7 Jun 93

[Text] Phnom Penh, June 7 (AFP)—Cambodian royalist party leader Prince Norodom Ranariddh rejected Monday the Phnom Penh government's demand for an independent enquiry into the Cambodian election, but repeated his willingness to join it in a coalition government.

"It is essential not to put in danger the result of the elections," said Prince Ranariddh in an interview on Radio France Internationale monitored here.

Ranariddh said his FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, which was founded by his father, former Cambodian Monarch Prince Norodom Sihanouk, had won the election and would have 59 deputies in the 120-seat assembly against 51 for the government's Cambodian People's Party. With 99 per cent of the votes counted from the May 23-28 polls, FUNCINPEC with 45.2-percent support was well ahead of the 38.6 percent received by the government, which has alleged voting irregularities and threatened not to respect the election result.

As for the allegations of unfairness in the voting, Ranariddh said that "if there were irregularities, they could not have come" from FUNCINPEC, and pointed to the "independent foreign observers" who monitored the U.N.-organised election.

"The Cambodian situation requires... that we form a broad national union government" under the presidency of Prince Sihanouk, who is still the Cambodian head of state, Prince Ranariddh said when asked if he would participate in a governing coalition that included the CPP.

It was not clear, however, if there had been a change in his policy since Saturday, when he said he would not accept the CPP in a coalition if it involved participation by Phnom Penh Prime Minister Hun Sen. Prince Ranariddh acknowledged that his father had at least temporarily renounced the formation of such a government.

But, he added, "After the official proclamation of the results and the holding of the first meeting of the constituent assembly, it will be necessary to find an interim governmental structure to maintain civil peace."

The assembly's first meeting is provisionally set for mid-June.

Final election results are expected mid-week from the U.N. Transitional Authority in Cambodia, while a meeting of the country's Supreme National Council (SNC), in which Prince Ranariddh told the radio he would participate, is set for Thursday [10 June]. The SNC is a reconciliation body grouping Cambodia's four main factions which was formed as part of the Cambodian peace agreement. It is to represent Cambodian sovereignty until the formation of a government.

CPP Sends UN Memorandum on Poll Irregularities

BK0706091793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 6 Jun 93

[Memorandum of the Cambodian People's Party, handed by Hun Sen, party vice chairman, to UNTAC Chief Yasushi Akashi on 4 June]

[Text] Your Excellency: Impropriety is a determining factor in the election in a society that adheres to democracy. Officials in charge of the election process are responsible to citizens in declaring that the election is correct and fair.

This is certainly true for Cambodia where a special responsibility falls on those who supervise the first free election in the new era. People's confidence in the democratic process has been damaged and in the end would be destroyed if the structure and procedures of the election lack credible features.

It is out of this serious concern that I am writing this letter to you. I am enclosing the file containing a report on our concern. While this list is not yet complete, the great number of irregularities in some major aspects clearly corresponds to the criterion of UNTAC [UN Transitional Authority in Cambodia] which says that all matters relating to the election should be substantial before new elections are organized in the provinces in question.

Furthermore, this letter will describe and expose the irregularities, improprieties, and many illegal acts relating to the election procedure and vote counting. Therefore, a review of the varied types of problems relating to the election as well as many improprieties concerning the maintenance of security for ballot boxes will show why the Cambodian People's Party [CPP] cannot accept the method implemented in the election.

I. There was no security for the ballots due to violations of election law guarantees.

Since the start of the election campaign, security of the ballots has been a major CPP concern. We raised this issue in many messages and discussions with Your Excellency and your officials. We have insistently demanded that in order to ensure ballot security and increase confidence in the election, ballot boxes should be placed under the constant supervision of party agents. When the election laws, adopted by Your Excellency, did not respond to our request, the CPP many times continue to propose that party agents be allowed to accompany ballot boxes and remain with the boxes whether at polling stations or in UNTAC quarters (message of Sok An to Reginald Austin dated 17 April and 3 May; and message of Hun Sen to H.E. Yasushi Akashi, dated 7 May).

Finally, after many weeks of protests, Your Excellency agreed to some conditions. At our meeting on 21 May, You Excellency agreed to allow party agents to follow UNTAC vehicles carrying ballot boxes. You agreed to allow party agents to inspect the so-called safety garrison when the ballot boxes arrive and again in the morning when the boxes are taken away.

It is true that questions can be raised as to why it took UNTAC so long to reply to the CPP proposal requesting the right to travel with the convoy and to inspect the safety garrison. These proposals are politically neutral

ones because they do not serve any particular party. On the contrary the successful implementation of this proposal could perhaps increase everyone's confidence in the election process. However, it is regrettable that during the election, election laws were frequently violated and UNTAC personnel did not abide by the 21 May agreement.

A. The inspection of polling stations was not allowed by UNTAC personnel.

In accordance with Article 58 of the election laws, party agents are allowed to inspect ballot boxes at polling stations before voting starts. Furthermore, Article 60 says that rightful party agents at polling stations cannot be banned or expelled by officials in charge there. However, it was very regrettable that these articles have been violated.

For example, as reported in a 24 May message to Austin from Sok An, CPP office chief, CPP agents were not allowed to enter polling stations at the Olympic stadium before voting started on the first day of polling. This deprived our party agents the opportunity to inspect ballot boxes and the localities as stated in the laws. In fact, despite the fact that our agents possessed proper papers, they were still banned from going into polling stations up to two hours after voting started.

Similar incidents occurred at other places too, for example, in a district in Battambang Province. Two hours after voting started party agents were allowed inside polling stations. In Svay Rieng Province, 19 party agents were not allowed to enter various polling stations despite the fact that they had proper UNTAC cards.

B. UNTAC violations of the agreement on the safety garrison. Increased and more systematic violations by UNTAC personnel took place concerning the agreement on the transport of ballot boxes and the inspection of safety garrisons.

In accordance with the 21 May agreement, party agents are to travel behind the convoy of vehicles carrying ballot boxes to safety garrisons and to inspect the safety garrisons before the boxes are put there. However, it was very regrettable that the 21 May agreement was for the most part violated. Please consider the following cases:

In Kandal Province, UNTAC officials refused to allow CPP agents to enter any of the 11 safety garrisons. Please see Annex 1, official protest to UNTAC by party agents, dated 1 June.

In Battambang Province, UNTAC did not allow party agents to follow the convoy of vehicles carrying ballot boxes to safety garrisons and did not allow inspection of the safety garrisons.

In Siem Reap Province, the proposal of CPP agents to conduct an advance inspection of the convoy and safety garrison was rejected by UNTAC. In some cases, inspection was allowed but only after ballot boxes were already put in the rooms.

In Phnom Penh, UNTAC electoral officers gave wrong addresses to CPP agents on the location of safety garrisons. Thus, correct locations were set, ballot boxes transported there, and then transferred to the garrisons. This prevented party agents from following the convoy or inspecting safety garrisons before the arrival of the convoy.

Finally, a lot later, on the first day of the election party agents were allowed to enter three safety garrisons among the seven garrisons after ballot boxes were put there already.

In Kompong Cham Province, party agents protested to UNTAC that they were not allowed to inspect safety garrisons in the province before and after ballot boxes were taken to and from there. In fact, only on 26 May were CPP agents invited to inspect safety garrisons.

It was however very regrettable that a day later, the right to inspect safety garrisons was revoked by UNTAC. Furthermore, party agents were not allowed to travel with ballot boxes, from polling stations to vote-counting centers in the province, or with tendered ballots from Kompong Cham to Phnom Penh. See Annex 2, protest note of CPP in Kompong Cham to UNTAC dated 1 June 1993.

The CPP protested every time against UNTAC officials banning travel with the convoys and inspection of safety garrisons. This protest was made at national and provincial levels. For instance on 24 May, Sok An protested to Austin concerning the annulment of the agreement by official electoral officers at the majority of polling stations set up in the provinces.

On 26 May, Sok An again protested renewed violations of the agreement on safety garrisons by pointing out the cases in Svay Rieng and Takeo Provinces. See also Annex 3, official protest note to UNTAC by party agents in Takeo Province, dated 1 June. This protest was stressed on 27 May in another message from Sok An to Austin. The 27 May message may have reached Austin because on that same day he sent a message to electoral officers in the provinces enquiring whether the regulations concerning safety garrisons have been abided by UNTAC personnel.

However, it is not surprising that only a small number of UNTAC officials acknowledged any impropriety. However, I invite you to examine the following UNTAC answers:

1. UNTAC acknowledgement in the cases in Phnom Penh and Prey Veng. UNTAC officials acknowledged that party agents were refused entry.

2. UNTAC officials did not acknowledge whether the policy on safety garrisons was implemented or not. The majority of answers from UNTAC in the provinces to Austin's 27 May message did not address the specific accusations levelled by the CPP.

Therefore, we did not receive any answers from UNTAC in Battambang, Kandal, Svay Rieng, and Takeo Provinces. Perhaps Austin did not receive any replies from UNTAC officials in those provinces.

However, according to CPP officials, the impropriety concerning safety garrisons occurred in these four provinces.

3. The direct conflict between statements by UNTAC officials and party agents. In the cases in Siem Reap and Kompong Cham Provinces, the information provided by our party officials is completely different from what was provided by statements by UNTAC officials in the provinces. In fact, the 28 May answer by UNTAC officials in Kompong Cham Province affirmed that they abided by the policy of allowing agents to inspect safety garrisons; furthermore, the statement also said that no protest was received from any parties.

However, if you look at the official protest note from the CPP in Kompong Cham Province, Annex 2, the agents said that they were not allowed to exercise the inspection right; they had also made several inspection requests.

In his message dated 2 June, Austin proposed that the CPP provided further information to UNTAC concerning the ban on entry into safety garrisons. Since the start of the election, the CPP was ready to assist UNTAC in all investigations concerning election irregularities. We can still provide party agents from these provinces, who were prevented from entering safety garrisons. They can provide evidence on concrete incidents concerning the ban on entering safety garrisons.

However, because UNTAC did not pay attention to this issue at the most important stage then, on election day, conducting an investigation now is like closing the gate of the stable once the horse has already escaped.

Although the first protest note of the CPP was known after the the result of the first day of voting was released, Austin's enquiry message was not conveyed to officers in the provinces until the fifth day of voting. Answers were then most quickly written on the last day of the election. Preventing this irregularity could not be done because UNTAC's reply came too late after the timely protest of the CPP.

C. Entry ban into vote counting stations in the provinces. The election laws clearly state that party agents can follow and confirm the vote counting process. For example, in accordance with Article 71 of the election laws, party agents should examine whether the padlock was alright. However, it was very regrettable that in Siem Reap, Prey Veng, and other places, CPP agents were not allowed anywhere near the vote counting centers to make the proceeding meaningful. Forcing party agents to observe the counting from a distance has destroyed the objective of allowing the presence of party agents at vote counting centers in the provinces. Nothing good was gained from this vote counting procedure. In fact, all

party agents in Prey Veng stopped being present on 31 May because in their view they could not do anything.

D. Conclusion. Actions by UNTAC officials violated the right of party agents whose task is to inspect the security of ballot boxes at the most important stage of the election. This has further increased the concern of CPP officials in the provinces that something could take place and has also destroyed their confidence in UNTAC's neutrality.

Their concern seems to have concretely materialized when they clearly saw that padlocks and seals on a large number of ballot boxes were broken.

II. Evidence of great irregularities, broken padlocks and seals, and violations of promises.

Upon the emergence of reports concerning many irregularities on the procedure to ensure ballot boxes' security, the confidence in the election process has been reduced. Because of these incidents, party agents have noted that padlocks and seals on many ballot boxes were broken and their serial numbers changed. In fact, this issue concerns hundreds of boxes, which greatly affects hundreds of thousands of ballots. Our party agents are still making efforts to have the total number of broken padlocks and seals from all the provinces. Some results of our investigation are now available.

Concerning the broken padlocks we can report as follows:

In Sihanoukville, nine seals were broken. No broken padlock.

In Battambang Province, seven seals and three padlocks were broken.

In Prey Veng Province, 83 seals and 19 padlocks were broken.

In Siem Reap Province, 12 seals and two padlocks were broken.

In Takeo Province, 73 seals and 48 padlocks were broken.

In Kompong Cham Province, 24 seals and seven padlocks were broken.

In Preah Vihear Province, 45 seals were broken; no broken padlock.

In Kampot Province, 29 seals and 11 padlocks were broken.

In Svay Rieng Province, 23 seals and six padlocks were broken.

In Banteay Meanchey Province, four seals and three padlocks were broken.

In Phnom Penh, 42 seals and eight padlocks were broken.

In Stung Treng Province, two seals and 12 padlocks were broken.

In sum, 370 seals and 122 padlocks were broken. Total: 492.

Tendered ballots in Toek Thla District: 173 seals and four padlocks were broken. Total: 177.

When you rejected our proposal for re-election in some provinces, you said that the irregularities observed are insignificant. No one can consider the above list of 126 broken padlocks and 593 broken seals, which is just a description of an election problem, as a small matter. It is very regrettable that the many padlocks or ballot boxes, which were violated and reported by agents, seem to have more clearly confirmed earlier concern of agents about not being close to ballot boxes during the most important stage. The number of ballot boxes with problems is not the only matter relating to this issue.

The failure to separate ballot boxes with problems from those without problems, and later on, the mixing of ballots together have raised the question about UNTAC's readiness to seriously investigate whether the boxes with problems had been violated.

I would like to cite two examples.

In Kompong Cham Province, ballots from boxes whose seals and padlocks were broken, were mixed with other ballots, despite protest from CPP agents. Please see official protest note to UNTAC in Annex 2.

In Kandal Province, UNTAC agreed to separate ballot boxes whose padlocks were broken and to separately count ballots from boxes with no problems. However, at the start of the counting, UNTAC electoral officers did not respect their promises and counted all the ballots together. Please see official protest note to UNTAC and UNTAC note No. PC 20/33 in Annex 1.

Finally, I would like to say that the CPP has raised concern over this major issue at many phases of the election. On 24 May, Sok An protested over a number of ballot boxes found to have their padlocks and seals broken. Some did not even have any seal or padlock. These ballot boxes were discovered by party agents in Phnom Penh City, Sihanoukville, and in Svay Rieng, Kampot, and Takeo Provinces.

In almost all successive protest notes from the CPP office chief to UNTAC, additional reports were provided concerning lost or broken padlocks and seals, and the change of padlock numbers. The regrettably high number of (?668) ballot boxes means that there was a great possibility for mistakes, errors, and frauds in administering the ballot boxes. These irregularities alone have already created great suspicion for the election result.

Without other problems encountered in the election process, the number of lost or broken padlocks and seals, combined with the lack of proper supervision by party agents during the important stages of the election, calls for the rejection of the election result.

III. Report on general irregularities and fraud. On top of the above difficulties relating to the election, there are many other problems concerning activities by UNTAC and activities of other parties. Although there are too many of them to be listed in detail now, these problems

include the influence of many UNTAC workers on voters to vote for a party; some individuals voted many times; soldiers were banned from voting; citizens wearing signs or emblems of the CPP were banned from voting; voters were banned from using their individual ball-point pen to tick the ballot; ballot boxes used for something else apart from storing ballots and issues relating to this procedure; transfer of ballot boxes from safety garrisons at midnight by UNTAC vehicles; burning of material taken out of UNTAC vehicles at midnight; loss of ballot boxes; keeping ballot boxes at night at other places than the safety garrisons; discovery of ballot boxes containing ballots with one party ticked and in which all the ballots were exactly ticked the same way; and so on.

I believe that you will agree with me that there are many special problems relating to this accusation, which cannot be resolved immediately or easily, or which can all be described in this message. However, I would like to provide further details concerning an issue which shows that there are many questions relating to a large number of ballots.

There are contradictions in UNTAC documents on the total number of voters and the number of ballots received. In many places UNTAC documents are inconsistent and this raises the question whether vote counting was done with good competence. Ballot boxes may even have been switched. For example, according to UNTAC election procedures, and contrary to the CPP proposal, there are two stages of vote counting: first, all ballot boxes will be opened and ballots in each of them counted; afterward, ballot boxes will be opened again to count ballots for each party. This two-stage procedure was noted by electoral officers on the EC 20/33 card, the result card.

The correctness of these documents is not questionable because they are signed not only by UNTAC officials, who do the counting, but also by party agents present. The CPP objected to this procedure because it could result in mistakes by officials or it could provide an opportunity for changing ballots. No attention was paid to our objection. Our concern has thus become reality.

For example in Kandal Province, the number of ballots noted and counted in boxes is different from the total number of ballots cast for the 20 parties. Please see 19 EC 20/33 cards from Kandal Province, in Annex 4. It was amazing and unbelievable. In this case, three ballot boxes were opened, counted, and results noted on EC 20/33 cards. However, when they were opened for the second phase to count ballots for each party, two boxes were empty with nothing in them. Please see Annex 4.

This problem was also noted in other provinces. In Takeo, Battambang, and other provinces, party agents noted the difference in the total number on the same UNTAC card. In fact in Battambang, when an UNTAC official noted this difference, he used his ball-point pen

to correct the document so that the figures match. Please see the official party letter protesting in Battambang Province in Annex 5.

In another case, in Siem Reap Province, UNTAC officials did not even allow party agents to observe the counting of all the ballots together. However, at the end, UNTAC officials suggested that party agents signed the document EC 20/33 and check the total number of the ballots and the number of ballots counted in the earlier stage and which agents were banned from observing.

It should be noted that the problems relating to this matter cannot be assessed through working out the difference between the number of counted ballots and the number of ballots cast for all parties. If the ballots were switched—many of the ballots may have been switched—the difference in the two numbers may have been a lot greater. The difference between the two figures show that the ballot boxes were tampered with without the need to show the number of ballots added or taken away from a ballot box.

We certainly cannot accept an explanation provided by Austin concerning the differing numbers. In his message dated 2 June, Austin said that the different figures can be explained by the fact that some voters wanted to keep the ballot as a souvenir. This is not only against the election laws and the procedures which have been claimed as very strict to ensure the implementation of this law. This is also contrary to previous affirmations that such problems cannot arise. CPP officials informed Austin about their concern a long time ago, even before the election, because of the possibility of ballot switching. However, these party officials were assured that voters cannot take ballots away with them from polling stations. Our confidence in this election procedure has not increased with this latest admission by Austin.

Taken into account the CPP opposition to the two-stage ballot counting, one is very surprised to note that some UNTAC officials even added more stages to this counting process. In his message dated 2 June addressed to Sok An, Austin admitted that in Battambang Province, the procedure includes the counting of the total number of ballots in some boxes, the mixing of ballots to keep the confidentiality of the ballots cast in a locality, the selection of the mixed ballots according to parties, and the counting of the ballots cast for each party. None of this is stated in the election laws. It is not clear why it is necessary to mix ballots. The election procedures have already ensured that voting is secret. However, with two new steps added, particularly the mixing of ballots, UNTAC officials have increased the possibility of mistakes and frauds.

Furthermore, the complex procedure of mixing ballots may have played a major role in destroying voters' confidence in the election. In the case in Battambang Province, party agents reported that they were puzzled and very concerned that in ballot boxes brought from some districts, in which strong support for the CPP is

known, the majority of the votes supported FUNCINPEC instead. This could be the result of the mixing. However, party agents in Battambang believe that this was the result of ballot switching.

IV. The necessity for an independent investigation into poll irregularities. When we propose reelection in provinces with problems, the extent of the problem was not yet clear. It was only when party agents in the provinces had reported to the CPP headquarters in Phnom Penh that the extent of the problem was clearly realized.

In fact reports on irregularities continue to flow into our office in Phnom Penh. However, it is very regrettable that, in your letter dated 3 June, you already rejected our proposal for reelection. Now because of the great extent of irregularities which includes many different problems, and because UNTAC activities during the election have created problems, the CPP proposes that the election results be put aside for now until an unbiased commission pass a judgment and examine the dispute concerning the election and the vast number of irregularities.

If this conflicting issue concerns only the dispute among parties, Chapter 8 of the election laws can be used. However, it is very regrettable that UNTAC is a party in many of these problems. Therefore, for self interest, UNTAC cannot be considered as an unbiased referee. Straightforwardly speaking, UNTAC cannot conduct an investigation and then pass judgment on UNTAC activities. Therefore, in order to ensure correctness, we propose that all clauses in Chapter 8 be applied only in the following conditions:

1. The appointment of a chairman and two members of a consultative committee on election can be made with the consensus of the Supreme National Council [SNC]. Only with all parties agreeing on the members of the committee can a genuinely objective and unbiased committee be set up.
2. This committee should report to the SNC, as well as to the special envoy.
3. The debate of this committee should be made in public.
4. Members of this committee should not have current or past dealings with the United Nations or with past and current Cambodian government, or with any Cambodian party.
5. UNTAC members should also be under the jurisdiction and punishment of the UN election laws like Cambodian citizens. Immunity should be removed from UN personnel as stated in Article 92.

If these conditions are not resolved we are afraid that any investigation into irregularities and problems relating to this election would become a game which would further make the situation more complicated.

Your Excellency, I very much regret that we have to make this proposal. However, the fact that you refuse to acknowledge many major problems of the election process in Cambodia has forced the CPP to call for such a tribunal to examine all accusations relating to this election.

Due to the extent of these problems, a new election in some of the provinces is not enough to resolve and alter the cause of our protests. The atmosphere has been poisoned not only by UNTAC personnel's activities in particular cases but also by remarks made by UN personnel published daily in newspapers. These remarks deceived public opinion by saying that the CPP started to have problems with the election process after ballots are counted.

Your Excellency: (?We're not boasting). You have in your hands a number of messages protesting many aspect of this election, even before the election started and certainly during the election. Your Excellency probably still remembered the many meetings we had with you during which we informed you of our objection. However, although our objection is nothing new, things started to pile up since the first day of the election. Despite the description in our previous messages and the long list in this message, I firmly believe that this is not an exhaustive list. We continue to receive information from party agents in the provinces concerning other problems which so far have not yet been noted.

Only an in-depth and unbiased investigation can determine where mistakes lie in this matter. It is in this spirit that we propose that Your Excellency postpone UNTAC's election activities and immediately start searching for candidates for this special committee for submission to the SNC.

Please accept my most profound consideration.

[Dated] Phnom Penh, 3 June

[Signed] Chea Sim, CPP Chairman

SOC Stages 'Show of Force' Against Sihanouk

BK0806011893 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 7 Jun 93

["Special report"]

[Text] According to Phnom Penh people's news sources:

1. On 8 June, the Vietnamese aggressors and their puppets mobilized their military commanders from all military regions and from Kompong Thom to stage a show of force against the Samdech Euv [prince father—Sihanouk] at the royal palace.
2. This is a strange matter taking place at a time when Cambodia is facing a complex situation.
3. This is a form of military coup d'etat of the Vietnamese aggressors and their puppets.

4. The people, monks, and all other circles in Phnom Penh are watching what the Vietnamese aggressors and their puppets have threatened to do against the Prince Father.

5. This is a play staged by leading actors such as Hun Sen, Chea Sim, Pol Saroeun, Sin Song, Sar Kheng, and Heng Samrin on the direct order of the Communist Party of Vietnam's commission for leading Cambodia, whose office is located near Botum Monastery in Phnom Penh.

KYODO: Khmer Rouge Will Respect Election Results

OW0806054393 Tokyo KYODO in English 0522 GMT 8 Jun 93

[Text] Phnom Malai, Cambodia, June 8 KYODO—The Khmer Rouge faction said Tuesday [8 June] it will respect the results of last month's general elections.

In the May 23-28 general election for a constituent assembly, the royalist FUNCINPEC party scored a narrow victory beating the Cambodian People's Party of the Phnom Penh government which placed second.

KR Demand 'Full Rights' for FUNCINPEC

BK0806071093 Hong Kong AFP in English 0656 GMT 8 Jun 93

[by Robert Birsell]

[Text] PHUM MALAI, Cambodia, June 8 (AFP)—The Khmer Rouge on Tuesday called for Cambodia's royalist party to be given full rights as the winners of last month's polls and did not rule out more attacks if the Phnom Penh government refused to hand over power. The radical Marxist group, which boycotted the U.N.-organised polls and continues to denounce them, also reaffirmed its support for a proposal from senior Cambodian statesman, Prince Norodom Sihanouk, for an all-faction reconciliation government.

The royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] opposition party, led by Prince Sihanouk's son, Prince Norodom Ranariddh, won the election but without an absolute majority.

"If you really accept the result of the election you must let the winning party use his rights as winner. That is democracy," Khmer Rouge spokesman Mak Ben told reporters in this northwestern Cambodian guerrilla stronghold, just across the Thai border.

The election and the massive 90 percent voter turnout have been widely seen as a major popular rejection of the Khmer Rouge.

The ruling Phnom Penh regime and various outside powers were putting pressure on FUNCINPEC "just to join" the Phnom Penh government, Mak Ben said.

Phnom Penh government leaders "have stated clearly that they will not give up power and are taking measures to preserve their absolute control," he said.

Asked if the Khmer Rouge would fight the government if it refused to hand over power, Mak Ben said his faction "as patriots ... have to fulfill our duty as patriots."

The call for FUNCINPEC to be accorded full rights as election winners was an apparent rejection of a plan floated last week by Sihanouk that he head a two-party coalition of FUNCINPEC and the government's Cambodian People's Party. Amid strong opposition from the United States, a frosty reception by the United Nations and objections raised by Prince Ranariddh, Prince Sihanouk has dropped his bid to lead such a coalition.

The Khmer Rouge gave its full support for an earlier Sihanouk proposal to form a provisional government grouping all four rival factions, including them.

"Prince Sihanouk's plan to set up a provisional government for national reconciliation of the four Cambodian parties is the best way to solve the Cambodian problem," Mak Ben said.

Prince Sihanouk had proposed the four faction reconciliation government, which he would lead, in a statement on March 1.

While calling for Prince Ranariddh's FUNCINPEC to be recognised as election winners the Khmer Rouge continued to denounce the polls as "a farce" aimed at ensuring Vietnamese domination of the country. The hardline guerrilla faction rejected the U.N. peace plan and the elections partly because it says the United Nations did not verify the withdrawal of all Vietnamese forces from Cambodia. The faction was blamed for a wave of bloody attacks on Vietnamese settlers and on U.N. peacekeepers in the run-up to the election, but widespread Khmer Rouge attacks aimed at disrupting the May 23-28 polls, though feared, did not materialise.

"These elections were held in an environment of insecurity, where old and new Vietnamese forces remain in Cambodia," Mak Ben said. He repeated the Khmer Rouge charge, widely dismissed as an exaggeration, that there are three million Vietnamese in Cambodia.

"Are the elections not a farce to be played as UNTAC's last card?" he asked rhetorically.

The Khmer Rouge has frequently accused UNTAC (U.N. Transitional Authority in Cambodia) of bias in favour of the Phnom Penh government.

"The UNTAC elections are only a show aimed at legalising the Vietnamese-installed regime and through it legalising the Vietnamese occupation of Cambodia," Mak Ben said.

The Khmer Rouge official refused to comment on questions on reports that some Khmer Rouge soldiers and families had voted in the election.

Assembly To Meet 14 Jun; CPP Still Contests Polls

BK0806110793 Hong Kong AFP in English 1021 GMT 8 Jun 93

[Text] Phnom Penh, June 8 (AFP)—Cambodia's newly-elected constituent assembly will convene for the first time on Monday June 14, Phnom Penh Government officials said Tuesday. However, Phnom Penh officials said they would not abandon their contest of UN-run general election results, which gave the opposition FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] royalist party a victory without an absolute majority. Attendance does not imply consent, the officials said.

The Cambodian People's Party (CPP) has said it will only accept defeat if the result of the election is certified by an independent, non-UN inquiry board.

Meanwhile, the UN Transitional Authority in Cambodia (UNTAC) urged Cambodian factions to negotiate their differences and move towards political cooperation.

"UNTAC wishes to encourage all parties to intensify negotiations," spokesman Eric Falt said, calling for a strong role for Prince Norodom Sihanouk. "We ... support his efforts for national reconciliation. We regard his leadership role as key to a peaceful transition," Falt said.

Falt's comments followed a meeting between Prince Sihanouk, Phnom Penh Prime Minister Hun Sen and government Cambodian People's Party (CPP) President Chea Sim at the Royal Palace, during which they set the date for the assembly's first gathering. Sources said the three officials discussed a meeting of the Supreme National Council (SNC), which groups the country's warring factions, to be held Thursday.

Government spokesman Khieu Kanharith, speaking of the meeting with Prince Sihanouk, said: "He said we can attend the first meeting of the constituent assembly, and it does not mean we have to accept the result of the election, but only to go along with the prince."

The United Nations said it would accept the date decided by Prince Sihanouk.

Prince Norodom Ranariddh, the son of Prince Sihanouk and the head of the opposition party FUNCINPEC which won the election without an absolute majority, was due to arrive Wednesday to attend the SNC meeting the following day.

Final elections results are to be announced on Wednesday.

With about 99 percent of the vote counted, FUNCINPEC had 45.2 percent compared to the CPP's 38.6. The percentages were likely to give FUNCINPEC 58 seats in the 120-member assembly to the CPP's 51. The remainder are likely to go to the Buddhist Liberal Democratic Party (BLDP) of former prime minister Son

Sann. Another small party was likely to get a seat, but the results were too close to determine ahead of final figures.

The Phnom Penh Government is contesting the results, alleging widespread irregularities.

Prince Sihanouk had unsuccessfully tried to form an interim government last week, but abandoned the idea after Prince Ranariddh raised some objections and the U.S. Government opposed it. Prince Ranariddh says he is willing to accept the new government, but the conditions he has imposed are unclear.

Islamabad Reports Khmer Rouge Attack on Pakistanis

BK0706123693 Islamabad Radio Pakistan Network in English 1100 GMT 7 Jun 93

[Text] In Cambodia, a platoon of Pakistani troops working for the UN peacekeeping operation was attacked early this morning. A spokesman of the United Nations said in Phnom Penh that some 15 to 20 Khmer Rouge guerrillas attacked the camp of Pakistani troops in Preah Vihear Province before dawn. He said the Pakistani troops returned the fire and reportedly killed or injured five guerrillas. Two Pakistani soldiers were also injured in the attack.

Malaysian Peacekeepers Injured in Battambang

BK0806073693 Kuala Lumpur BERNAMA in English 0715 GMT 8 Jun 93

[Text] Phnom Penh, June 8 (BERNAMA)— Three Malaysian soldiers have been injured, one seriously, in an attack by a group of unidentified guerrillas armed with rockets and light weapons in the northwestern province of Battambang. United Nations Transitional Authority in Cambodia (UNTAC) spokesman Eric Falt said a Malbatt (Malaysian battalion) platoon deployed in Tapoung [name as received], 25 km north of the provincial capital of the same name, came under fire for about two hours at about midnight last night.

The attackers withdrew after the outnumbered ranger platoon returned fire but intermittent firing continued up to 1 a m this morning, he added. He did not indicate the strength of the attacking force or if it suffered any casualties.

Falt said: three Malbatt personnel sustained injuries, one of them seriously, after being hit by shrapnel from a B40 rocket propelled grenade. Two of the soldiers suffered light injuries on the arm and the third was seriously wounded on the buttocks.

Malaysia has an 850-strong ranger battalion deployed in Battambang province. The battalion is the main component of the 1,090 Malaysian Armed Forces personnel serving with UNTAC peacekeeping force while 224 policemen are with the civilian component.

Meanwhile, a UN military spokesman said the Malaysian post was attacked from all directions at a distance of 100 metres. It was hit by five rounds of B40 rockets and sprayed with automatic fire. It was difficult to determine if the attackers suffered casualties but with the amount of defensive firepower used by the Malaysian platoon several of the attackers might have sustained injuries, he added. He said the three injured men were given first aid by the platoon medics before being evacuated in two Wolf armoured vehicles to a UN field hospital in Battambang at about 0230 a.m. The condition of the seriously injured soldier, who had been operated on, was reported to be stable, he added.

The spokesman said the injured could not be immediately evacuated by helicopter due to the insecure situation at the nearby landing zone. Although firing stopped by about 0030 hours, movements of unidentified armed personnel were active around the location, he added.

He did not indicate the number of Malaysian personnel involved but a platoon is about 35 strong.

Sihanouk Thanks SOC Education Minister for Support

BK0806111993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 8 Jun 93

[4 June "letter from His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, to His Excellency Im Chhunlim, minister of education of the State of Cambodia"—read by announcer]

[Text] Excellency, I have received the 4 June petition you sent me on behalf of all personnel of the Education Ministry of the State of Cambodia [SOC] supporting my national unification and reconciliation policy. I would like to express deepest thanks to you and all SOC Education Ministry personnel for your support, your priceless sentiments, and your lofty sense of patriotism.

I and my wife wish you and all personnel of the SOC Education Ministry happiness and prosperity in your service to the nation.

Please accept our most profound and fervent affection.

[Dated] Phnom Penh, 4 June
[Signed] Norodom Sihanouk

Hor Namhong, Japanese Envoy Sign Aid Agreement

BK0706090793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 6 Jun 93

[Text] A signing ceremony was held at the Damnak Chan hall in the morning of 4 June between His Excellency [H.E.] Hor Namhong, minister of foreign affairs and member of the Supreme National Council of Cambodia,

and H.E. Yukio Imagawa, Japan's ambassador to Cambodia. The object of the signing dealt with the Japanese government's aid to help Cambodia rehabilitate and repair the power supply network in Phnom Penh and restore the Chrouy Changva bridge. The cost of the rehabilitation and repair of the power supply network in the capital amounts to U.S. \$20 million and that of the restoration of the Chrouy Changva U.S. \$1.6 million.

After signing the agreement, both sides expressed confidence that this will help make Cambodia's national reconstruction and development a success.

Indonesia

Paper on Khmer Rouge in Postelection Cambodia

BK0706105793 Jakarta KOMPAS in Indonesian 28 May 93 p 4

[Editorial: "The Khmer Rouge Factor in Post-Election Cambodia"]

[Text] The Cambodian general election has been proceeding encouragingly. However, the rising optimism reminds the Indonesian people of their first general election in 1955 when they hoped that everything would be fine after the general election.

In Cambodia, the general election is for the creation of a constituent assembly that will formulate a constitution. This constitution will subsequently determine the system, form, and organization of a new government. The constituent assembly will become a parliament after a constitution is formulated and a government established.

Of interest and concern are the nonparticipation in the general election of the Party of Democratic Kampuchea, better known as the Khmer Rouge. The party has even condemned the general election simply as a fraud. Accordingly, there were fears that the Khmer Rouge as the strongest political force in terms of their soldiers and arms would sabotage the general election. However, Khmer Rouge followers cast their ballots en masse. This is anyway an encouraging development at least for the time being.

At a glance, the Khmer Rouge's move is in fact bewildering or the faction itself is on the contrary bewildered over the success of the general election in terms of the number of registered voters casting their ballots. Is there something behind the Khmer Rouge's move?

The Khmer Rouge are a communist movement whose leaders and cadres have been trained and indoctrinated in the communist-style armed and democratic struggle. Clearly, such a political movement is usually well trained to meticulously formulate the tactics and strategy of its political struggle. One of the principles to which they have consistently adhered despite their persistent denial is the justification of any means to achieve an objective.

The question as to why the Khmer Rouge are not taking part in the general election is inappropriate. A more appropriate question is: Why should they take part in the general election? For them, participation in the general election would politically amount to abandoning the armed struggle which has been the most effective means of securing real power—territory and people. Moreover, there is no guarantee that they will achieve election results that will adequately reflect the power they are practically holding now.

Why have the Khmer Rouge failed to carry out their threat to sabotage the general election? First, the general election is the first step toward the "liberation" of Cambodia from foreign intervention, which was enshrined in the UN-ratified Paris Peace Accords.

Secondly, the general election is not to determine who will and will not be included in a new government. This matter will be determined by a constitution to be formulated by a constituent assembly following the general election. The contents of the constitution can be greatly influenced by developments outside the assembly—the domestic political situation and national security.

The Khmer Rouge will take the risks here. With soldiers and arms and real control over parts of the country and its people, the Khmer Rouge will force the constituent assembly to formulate a constitution under which the country will adopt a presidential or extraparliamentary system and a system under which regional administrations will enjoy wide autonomy. If the assembly fails to do so, the Khmer Rouge will again take up arms and continue their existence as a country within areas under their control. Under an extraparliamentary system, the Khmer Rouge will join the central government.

The Khmer Rouge is convinced that any legitimate regime born after the general election will have to politically face the Khmer Rouge in real terms if it does want peace in Cambodia. For the Khmer Rouge, another civil war, if any, would be something "natural" because the Vietnamese military as their most feared force is no longer in Cambodia.

Prince Norodom Sihanouk was smart in exploiting the situation by renouncing his support for the Khmer Rouge. This was clearly an electioneering [preceding word in English] maneuver to enable his supporters grouped in the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] led by Prince Norodom Ranariddh to defeat or at least counterweight the State of Cambodia led by Hun Sen which is de facto [preceding two words in English] in power. Sihanouk may make new policies relevant to reality and necessity after the general election is over and even after the constitution is formulated.

Thus, all parties involved with the Cambodian issue want a formal conclusion of the Paris accords. The Cambodian crisis will in turn cease to be an international matter. What will happen in Cambodia later will be a purely internal matter.

Indeed, it is tragic that all funds spent and efforts exerted by the international community for Cambodia have yet to ensure that the tragedy facing this nation will end. Nonetheless, the formal conclusion of the Paris accords will be far much better than an impasse. In fact, many other nations prefer another war after the United Nations has worked hard in achieving a democratic peaceful settlement. Angola is an example. Perhaps, such nations have nothing else. Thus, conflicts marked by violence, bloodshed, and misery for the majority of the population involved and uninvolved in the conflicts are continuing.

Suharto Reportedly Approves Invitation to Dissidents

BK0506161993 Hong Kong AFP in English 1210 GMT 4 Jun 93

[Text] JAKARTA, June 4 (AFP)—President Suharto has made a small step towards rehabilitating a group of Indonesian dissidents cast into a political wilderness 13 years ago for criticizing his rule by approving their invitation to an official function. A senior minister confirmed Friday that Suharto had approved the invitation to members of the "Group of 50"—a leading dissident movement whose members have been ostracised from official circles since presenting a petition in 1980 accusing Suharto of unconstitutional rule.

Research and Technology Minister Bacharuddin Jusuf Habibie invited six members of the group, including outspoken former Jakarta governor Ali Sadikin, to a launch ceremony at the state shipyard in East Java on Thursday.

"I have been assisting Pak Harto (Suharto) for 20 years...every policy I make, because I am an assistant and all cabinet members are close assistants of the president, I have to report (to Suharto)," Habibie told journalists who asked him here about the invitations to the dissidents.

The presence of the dissidents alongside various retired pro-government generals at the ceremony has given rise to wide speculation in the country's press on the political motives behind the move. Some welcomed it and hoped it heralded a more open democracy while others said Habibie, who had been under attack from many sides for his support for expensive high technology ventures and his advocacy of Muslim intellectual interests, was maneuvering for support.

Habibie said that when he told the president of his plan to invite the dissidents, Suharto told him most of the dissidents were his comrade-in-arms during Indonesia's independence struggle in the 1940s and as such had also played a part "in making you what you are now."

"It is your duty to report and account to them and their rights to know whether the transitional generation is capable," Habibie quoted Suharto as having told him.

Habibie, who will turn 57 later this month, is a member of the so-called "transitional generation"—those who went through the independence struggle but were too young to play an active part in it.

Sadikin was quoted by the EDITOR weekly Friday as saying that he and his fellow dissidents accepted the invitation because there was no reason to refuse. He also stressed that the invitation came from the Habibie as a director of the state shipyard PT PAL and not from a minister.

The group, whose membership includes former ministers and retired military officers who served under Suharto, was formed by 50 public figures in 1980 when they jointly presented the critical petition. The group's members have since been in official disgrace, which included a travel ban and no access to the national press or bank loans. They were also barred from all official functions, as well as any private function attended by the president or the vice president.

Australia Potential Gateway for Pacific Exports

BK0306153793 Jakarta SUARA PEMBARUAN in Indonesian 14 May 93 p 4

[Text] Jakarta, 14 May—Australia has the potential to become the gateway and place of transit for Indonesian export products to countries in the Pacific to cater for the rapid economic growth and trade in the region.

"Townsville, a town in the Northern part of Australia, has a well-facilitated port for ships carrying Indonesian products to make a stopover before proceeding to markets in the Pacific islands of Samoa and Fiji," HMB Nawawi, vice chairman of the Indonesian Chamber of Trade and Industry (Kadin), said in Jakarta Thursday [13 May].

Speaking at a meeting between the All Indonesian National Importers Federation (Ginsi) and the Townsville Chamber of Trade and Industry delegations, Nawawi expressed the hope that the problem of the high cost of shipping goods to the Pacific region could be solved. He said that high transportation costs are obstructing trade development.

Nawawi said that future trade development in the Pacific region is getting brighter in view of the rapid economic growth in countries in the region, which is considered to be the highest in the world.

On the occasion, H. Amirudin Saud, chairman of Ginsi, said that the high cost of shipping goods to Australia had caused Indonesian export products to the neighboring country to be less competitive.

He expressed the hope that the problem could immediately be overcome so that the flow of Indonesian exports to Australia could be increased in future.

Amirudin Saud also mentioned the need to promote bilateral economic ties between the two countries. He

called on Townsville Chamber of Trade and Industry to import more Indonesian products directly, without going through Singapore or Hong Kong the way it has done all this while. He said that in this way the shipping costs would be lower.

He also said that, actually, there are many products from Indonesia that already meet international standards of quality and that are competitively priced.

On the value of the two-way trade between Indonesia and Australia, Amirudin said 1986 to 1992 data showed that the value of Indonesia's imports from Australia was bigger than its exports. He said that Indonesia's exports to Australia in 1986 were recorded at US\$158.6 million, while its imports were recorded at US\$413.5 million. 1992 exports were recorded at US\$746.1 million, while imports were US\$1.4 billion. Based on the trade balance data, in 1986 Indonesia suffered a trade deficit of US\$254.9 million, while in 1992 the deficit was US\$666.8 million.

In connection with this, Amirudin called the delegation from Townsville to increase imports from Indonesia so that a balance could be created in the bilateral trade between the two countries.

Australian Defense Chief Praises Ties

BK0406085993 Jakarta THE JAKARTA POST in English 28 May 93 p 1

[Text] Jakarta (JP)—Australia highly values its defense ties with Indonesia because of the special role the Armed Forces (ABRI) plays domestically, Australia's defense chief says.

Australia's Defense Forces Chief Admiral Alan Beaumont said yesterday the bilateral defense links "take on a very special quality" because of ABRI's special responsibilities in the development and in the administration of Indonesia.

"These links have an increased significance in the wider Australia-Indonesia relationship. This is something of great value," Beaumont said in an address at the National Defense Institute.

"We in Australia know that ABRI is one of the central unifying elements of the modern Indonesia," said Beaumont, who is in Indonesia on a familiarization trip following his appointment to the post last month.

The armed forces of the two countries have cooperated in training, exercises, and personnel attachments in the fields of science and technology and the defense industry.

Beaumont said the visit by General Try Sutrisno in 1989, in his former capacity of ABRI commander, proved to be the turning point in the relationship between the two countries. This was followed a year later by the first annual bilateral defense discussion.

Beaumont placed a high value on personal contacts between senior officers. "I have a strong personal commitment to encouraging such contacts at all levels as I believe this is the way that true friendship between nations can be fostered."

The two countries, which have yet to engage in any joint exercise, could do so in the future. Yesterday, Beaumont offered ABRI a chance to participate in the planning for Exercise Kangaroo 1995.

He also said that he believed the defense relationship between the two countries would contribute to wider regional security.

"Discussions on regional security between the two countries have been intensified."

Beaumont ends his visit in Indonesia today. During his stay here, he has met with President Suharto, ABRI chief Gen. Feisal Tanjung and Minister of Defense and Security Edi Sudrajat.

The admiral said Australia has initiated a new comprehensive review of its strategic circumstances and evaluated the implications for its defense planning. The process will involve consultations with neighbors.

A strategic planning team from Australia is to visit Indonesia next month for discussions with their Indonesian counterparts, he added.

Beaumont said Canberra's defense policy is built on three central elements: self-reliance with an emphasis on defensive strategy, effective regional cooperation, and strong alliances, in particular with the United States.

The policy is designed to strengthening the security in the Asia-Pacific region, he said.

"The defense self-reliance should not be misunderstood. It does not mean 'defense self-sufficiency,'" he said, adding that very few nations have the resources to meet all defense needs by themselves.

Strong alliances, particularly with the United States, will benefit not only Australia but also the Asia-Pacific region, he said.

ABRI Chief: No Threat to Australia

BK0406152893 Jakarta ANTARA in English 1354 GMT 4 Jun 93

[Text] Jakarta, June 04 (OANA-ANTARA)—Armed Forces Commander General Feisal Tanjung said here on Friday that Indonesia was not a threat for Australia and war planes and ships that the country bought were only intended as replacements for the old ones. He said it was not true that Indonesia was a threat to Australia.

The Indonesia Navy is currently waiting for 29 war ships from Germany while the Indonesian Air Force is

expecting 24 Hawks 100 and 200 from the British Aerospace (BAE), he told participants of an information ministry working meeting.

Feisal said that there were not any problems between Indonesia and Australia and we have already explained that we bought new war planes and ships to replace the old ones. Relations between the two countries' armed forces have been very close as proven by the frequent joint discussions, trainings and exercises that they have held so far. We also have common understanding, he added. Australia always informs Indonesia whenever they intend to purchase new equipment, he said.

Replying to a question about the case of some Acehnese who fled to Malaysia the deputy chief of the Strategic Intelligence Agency (BAIS), Major General Arie Sudewo said that these people were not at all political fugitives. They go to seek a better living but they often cover it up by telling as if there is no security in Aceh, he said. This problem has already been settled through approaches made with the Malaysian Government and a number of the Acehnese has already returned, he said. Some of them have already returned and those who meet the requirements have been recruited to work here (in Aceh), he said.

There are some 44 Acehnese who wish to be accommodated in third countries and this problem has already been handled by the UNHCR, he said. We (Indonesia and Malaysia) have agreed that they were not political asylum seekers with Malaysia seeing them merely as illegal migrants, he said.

Australian Trade Mission Offers Technology Services

BK0406152293 Jakarta ANTARA in English 1407 GMT 4 Jun 93

[Text] Jakarta, Jun 4 (OANA-ANTARA)—Australia's trade mission, in a bid to boost relations, has offered Indonesia its services on construction technology and telecommunication and engineering consultation, and so help reduce Indonesia's dependence on Germany and Japan. Head of public relations at the Ministry of Trade Lily Rosyana said here Thursday [3 June] that the Minister of Trade Satrio Budiarjo Judono hopes trade relations between the two countries can be improved with the formation of the economic cooperation.

She said the Indonesian Government is willing to accept the offer as the trade sectors of both countries have the potential to develop. But before that, she added, Australian businessmen should first allow Indonesian users to assess the superiority of the technology offered.

Meanwhile, head of the mission minister for development cooperation Gordon Bilney reminded that trade relations between the two countries still face many obstacles, in particular the issue of dumping which the Australian Government often accuses Indonesia of practising. He has asked Indonesia to reduce its export duty

on wool by about 20-30 percent and abolish non-tariff blocks on the automotive industry in exchange for the low taxes that Australia is charging some developing countries including Indonesia.

The trade balance between the two countries in the last ten years has constantly been in Australia's favour. Indonesian exports to Australia in the 1992 fiscal year was US\$46.1 million dollars while Indonesian imports in the same fiscal year were US\$1.4 billion dollars.

Major Indonesian exports to Australia include shoes, wood and rattan products, textile, and coffee. While Indonesia imports wheat, cotton, aluminium, sheet metal, steel and copper.

Laos

1992 Public Security Achievements Reviewed

BK3005143193 *Vientiane PASASON in Lao* 12 May 93
pp 2, 3

[Article by Bouapha Thinkeomeuangneua: "What Achievements Have the Public Security Forces Fulfilled in 1992?"]

[Text] According to a report presented by the Ministry of Interior to the annual nationwide conference of public security forces convened in mid-March, in 1992 many important major events related to our national defense and public security maintenance work occurred. These events directly affected public order and peace in our country. During the year, hostile forces and bad elements consistently stepped up their subversive efforts to undermine our security. In particular, they relentlessly carried out campaigns to slander the just and correct policy of our state with the aim of creating difficulties for our people and opposing our policy of restructuring and the growth and development of our country. Nonetheless, amid such difficulties, our public security forces still managed to accomplish commendable achievements in many fields. For example, they were able to ensure security for the political activities undertaken by our state and party. At the same time, our forces were also able to suppress and dismantle the nests of bad elements operating along many border areas and localities, such as Savannakhet, Khammouane, Bolikhamsai, Xieng Khouang, Vientiane, and Sayaboury Provinces, and Vientiane city. One of the most outstanding achievements was fulfilled in Vientiane city when our public security forces managed to arrest an international gang of bank robbers and to suppress and take legal action against corrupt employees of the Lao Fuel Company and Forestry Company No. 3. At the same time, we also detained and reeducated a number of hooligans and bad elements for committing violations against our laws and fine customs and traditions. In the meantime, we also sent cadres to many localities to build grass-roots masses and security units in many provinces and Vientiane city. At present, grass-roots security forces in these provinces and Vientiane city have already completed their political

life campaigns and have consolidated their command networks. At the ministerial level, political life campaigns have already been conducted at the ministerial and departmental levels. We have continued to relentlessly build grass-roots masses in Vientiane city and Vientiane, Bolikhamsai, Sayaboury, Luang Prabang, and other provinces. In particular, we continually strengthened further the public security networks at the village level.

In parallel with the aforementioned achievements, other service sectors, such as those units in charge of implementing policies on promotions and commendations and building public security forces, carrying out political and ideological work, and executing logistical work to improve the people's living conditions and health care, have also made considerably commendable achievements.

The achievements we have made in the public security sphere in the past year appear to be complicated. It is apparent that public security in our country has now been essentially guaranteed. All this has been achieved thanks to the unity and cooperation of our multiethnic people and the Armed Forces' determination and loyalty in the party and state. Even though many difficulties and obstacles still prevail and sacrifices still must be made, our Armed Forces remain determined to carry out their tasks in maintaining public security and defending our territory from the north to the south throughout the year.

Aside from the aforementioned achievements, our Armed Forces have also encountered many shortcomings in the past year. This is because the level of their political and legal knowledge is still limited. As a result, certain bad elements have proceeded to exploit this loophole to wage propaganda campaigns to sow discord between the public security forces and other state organizations. For example, they have accused our public security forces of ruthlessly dealing with the people in many legal cases or violating their democratic rights and freedom and the laws of the country. Therefore, party committees and public security commands at all levels must pay attention to educating our cadres and personnel to strictly respect discipline and regulations and to meting out drastic punishment against any violators of the law so as to preserve the prestige and honor of the public security forces forever.

Philippines

Government Seeks Framework To Reorient U.S. Ties

HK0806033093 *Quezon City MALAYA in English*
8 Jun 93 p 6

[Report by Carlito Pablo]

[Text] The Philippine government remains at a loss for a framework acceptable to the United States to re-orient

bilateral ties which have reached a low point following the closure last year of American military bases in the country.

"I hope we find a vehicle, a framework," Foreign Affairs Secretary Roberto Romulo said yesterday.

Romulo, noting the continued security relations between the two countries through the 1951 Mutual Defense Treaty, said: "We have to have one that covers more than just security."

He said Manila hopes to have high-level yearly consultations with ranking officials of Washington to cover political, economic and security issues.

Diplomats said this effort is in response to the apparent policy of benign neglect adopted by the U.S. towards its ally with the closure of the bases.

An inter-Cabinet task force led by the Department of Foreign Affairs [DFA] completed a study last year containing several recommendations on how to re-shape relations with the U.S.

"But this is internal and there must be a framework acceptable to the U.S. to serve as a mechanism in looking at the broad strokes of where relations are heading," a ranking DFA official said.

Romulo said this might include a renegotiation of a new treaty of friendship, cooperation and security but stressed: "We are more interested in coming out not with a mere paper."

Manila expects to have a stronger push for this concern once Ambassador to Washington Raul Rabe assumes his post starting next week.

Garment Industry Leery of 'Protectionist' U.S.

HK0706061693 Manila BUSINESS WORLD in English 7 Jun 93 p 2

[Text] The country's textile negotiators are wary about the United States' possible protectionist stance during talks over a new garment quota.

Walter Lenahan, consultant to the Garments and Textile Export Board (GTEB), said although the Clinton Administration has not been vocal about its possible negotiating position over the quota issue, quota-holding countries are now antsy over the perceived protectionist attitude of the United States.

The two-year-old garment accord between the Philippines and the U.S. expires on Dec. 31 this year. The Philippines and the U.S. will probably start negotiations on a new quota this October. Although the GTEB is keeping mum on its bargaining position, there is talk the country will ask for a 25% increase in its garment quota.

The U.S. had given the Philippines a quota of 558 million square meters under a pact inked in 1991. The

25% increase in quota would jack up exports to the U.S. to 697.5 million square meters.

The bilateral agreement normally lasts for five years. Under the General Agreement on Tariffs and Trade (GATT), however, the quota system will be scrapped in favor of liberalized trading.

In the absence of a GATT treaty, the U.S. and the Philippines will negotiate for a provisional quota and extension period. Some quarters say the U.S. will likely agree to a two-year extension while others see a one-year extension.

Thelma Jover, acting GTEB executive director, also warned the local garment industry will have to deal with new factors during this round of negotiations.

The Philippines is the fifth largest exporter of garments to the U.S.

Romulo Proposes Reviving 1954 Security Pact

HK0406031093 Manila BUSINESS WORLD in English 4 Jun 93 p 12

[Report by Paul N. Villegas]

[Text] Foreign Affairs Secretary Roberto Romulo is proposing to move multilateral security dialogues into actual regional security arrangements and has called for the revival of the Manila Pact.

In a speech during the Mutual Defense Board's 35th anniversary meeting yesterday at the Manila Diamond Hotel, he said: "The United States signed Bilateral Defense Treaties with three countries in Asia. One of these three is the Philippines. The United States also signed two Multilateral Mutual Defense Treaties with countries in Asia-Pacific. One of these two is the Manila Pact...This twice-forged security relationship between our two countries provides a strong foundation on which we can build a new security relationship in this so-called post-cold war and post-bases era."

The Manila Pact of 1954 is a security framework between France, the United Kingdom, the United States, the Philippines, Thailand, New Zealand, Australia, and Pakistan.

Mr Romulo reiterated that "the Philippines has already formally proposed the activation of the Council of Ministers under the Mutual Defense Treaty...The secretary of National Defense and I are willing to hold regular, consultative meetings with our American counterparts to discuss security policy issues and to provide the political framework for our security relations."

"We also welcome combined cooperative engagement activities among the United States, the Philippines and the other Asian-Pacific country signatories of the Manila Pact. Such Military-to-military groundwork for a comprehensive system of regional security in the Pacific

areas as envisioned by the RP [Republic of the Philippines]-US Mutual Defense Treaty."

The United States, said Donald Westmore, charge d'affairs of the US Embassy in Manila, "welcomes and supports these efforts by our Asia-Pacific friends to build a wider community of common security interests and cooperation.

"We fully intend to continue to make a major and positive contribution to the region's security," he said.

Charles Larson, commander-in-chief of the United States Pacific Command, said the US will still continue to support the modernization plans of the Armed Forces of the Philippines. The US Government, he said, is committed to come to the defense of the Philippines if the country itself is attacked.

Ramos Accepts Bank Governor's Resignation

HK0506040093 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 5 Jun 93

[Text] President Fidel V. Ramos has accepted the resignation of Central Bank [CB] Governor Jose Cuisia Jr. effective 30 June. Cuisia confirmed that his resignation letter reached the president last month and was accepted by the chief executive on 3 June. The governor's letter cited his poor state of health as well as the wish to be with his family. Cuisia said he has offered to resign three times, but his proposal was rejected by the president due to the suspension of hearings regarding the passing of a bill establishing the Central Monetary Authority to replace the CB. Cuisia did not mention whether he will extend his term, but expressed the desire to go back to the private sector. Among those said likely to replace the CB governor are Philippine National Bank President Gabriel Singson and Education Secretary Armand Fabella.

Official: Muslim Rebels 'Threat' to Security

HK0406151593 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 3 Jun 93

[Text] The Muslim secessionists are now a big threat to the country's national security.

Leandro Mendoza, Philippine National Police [PNP] intelligence chief, said there are now about 19,000 Muslim rebels with about 15,000 weapons, 8,000 more than the communist party which only has 11,000 members.

Mendoza warned that guerrillas belonging to the Abu Sayyaf fundamentalist group are now deployed around the metropolis [Manila].

A report stated that the extremists are under orders to launch terrorist attacks in retaliation for the killing of their comrades during rescue operations for Father Blanco in Basilan.

Meanwhile, PNP chief, Director General Umberto Rodriguez, has directed all of his men in the National Capital Region [NCR] to be vigilant for any terrorist moves by suspected Muslim extremists over the next five months. Rodriguez has also called on Director General Pedro Sistoza, chief of the PNP's NCR Command, to monitor critical areas in Metro Manila which could be targeted for terrorism by the Abu Sayyaf group.

Earlier Rodriguez confirmed it was possible members of the Abu Sayyaf group were behind a series of recent bombings in Metro Manila.

PNP Discloses Alleged Rebel Bombing Plan

HK0406151493 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 4 Jun 93

[Text] The Philippine National Police [PNP] is prepared to face an alleged plan by the Muslim fundamentalist group Abu Sayyaf to launch a series of bombings over the next six months. The plan and dates of the bombing activities were discovered by PNP Regional Command 9, according to PNP Chief Umberto Rodriguez. However, Rodriguez said the targets have not been determined yet.

The public has nothing to fear because the PNP is ready for the attacks. Rodriguez belittled the bombing threat, which are to be carried out for 10 days every month starting this month until November.

According to the information received by the PNP chief, Abu Sayyaf will carry out bombing activities on 10, 11, 16, 20, 25, 30, and 31 June; and 1, 10, 11, 15, 16, 25, 26, 30 and 31 July; 9, 10, 14, 15, 24, 25, 29, 30 August; 8, 9, 13, 14, 23, 24, 28, 29 in September; 8, 9, 13, 14, 23, 24, 28, 29 in October; and 7, 8, 12, 13, 22, 23, 27, and 28 in November.

The PNP chief doubts whether Abu Sayyaf, with only about 200 members most of whom are based in Basilan, can implement the bombing plan. However, he has still ordered vigilance among his men to ensure public safety.

MNLF Reportedly Smuggling High-Powered Weapons

HK0506072593 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 5 Jun 93

[Text] Moro National Liberation Front [MNLF] members have reportedly smuggled high-powered firearms into the country through Sulu.

Colonel Romeo Darancian, 2d Jolo Marine Brigade commander, said intelligence reports received by the Philippine Marines state that the firearms came in from Malaysia. The firearms included 45 AK-47 assault rifles. The smuggling activity allegedly occurred along the Maimbung Town coast. Darancian believes that the firearms will be used by the security men belonging to MNLF chief Nur Misuari. Misuari's men have been

prohibited from carrying arms in the event the peace talks between the government and the Muslim rebels resume in the country.

Fourteen Muslim Rebels Killed in Factional Clash

HK0806091293 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 8 Jun 93

[Text] Fourteen Muslim rebels have been killed in an encounter between two factions in barangay Langhu, Patikul, Sulu Province.

Colonel Romeo Daranciang, 2d Marine Brigade commander, said the clash ensued because of an alleged disagreement between members of the two groups regarding the division of stolen goods and ransom money collected from kidnapping activities. Five hundred members of Lupa Sug Revolutionary Command reportedly attacked about 100 members of the Moro National Liberation Front Team No. 80.

The military has maintained its neutrality and is expected to protect residents who may be affected by the dispute.

Rebels Burn Basilan Provincial Capitol

HK0806102693 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 8 Jun 93

[Text] Senator Santanina Rasul has expressed concern over the growing instability in three Mindanao provinces following several reports of bombings and other forms of violence in the area.

In an interview with DZRH, Senator Rasul revealed that several battles continue to rage in the provinces of Sulu and Tawitawi, while Basilan's provincial capitol was reportedly razed.

According to the reports we have just received, several suspected Muslim rebels have burned down Basilan's provincial capitol, including the provincial headquarters of the Philippine National Police [PNP] and the Philippine Long Distance Telephone Company provincial telecommunication center.

In light of these events, Senator Rasul is calling on all concerned local officials in the three provinces to meet among themselves and coordinate with officials of the Armed Forces of the Philippines [AFP] and PNP in the region to find a solution to this growing unrest.

[Begin Rasul recording] I am calling on the concerned local government officials, this is the time for them to all get together, regardless of political affiliations and get together with the military [preceding phrase in English] in order to discuss ways to restore stability in these three provinces. [end recording]

Meanwhile, the AFP said it has no plans to deploy more troops to Basilan, despite the reported destruction of the province's capitol building. Here is Rodney Jaleco with the details:

[Begin Jaleco recording] There are no plans to increase the number of troops in Basilan despite the destruction of the Basilan provincial capitol building in Isabela yesterday. AFP chief General Lizandro Abadia said he is relying on members of the PNP assigned to the area to maintain peace and order in the province; however, he said the military is prepared to extend assistance should the police need it.

Reports reaching Camp Aguinaldo reveal that suspected members of the Abu Sayyaf group, considered to be one of the Muslim secessionist movement's lost commands, razed to the ground Basilan's provincial capitol building along with the provincial jail, telecommunications center, and police headquarters.

We were able to learn that only one brigade of the Philippine Marines remains in the area after three battalions of the Philippine Army were withdrawn from the province and returned to their posts in other parts of Mindanao following the successful rescue of kidnap victims Father Bernardo Blanco and Anthony Biel.

Abadia added that he has given Lieutenant General Romeo Zulueta, Southern Command chief, the authority to take the necessary steps to ensure the safety of the province's residents.

Thailand

Prasong: Country 'Will Not Meddle' in Cambodia

BK0706122493 Bangkok Voice of Free Asia in Thai 1030 GMT 7 Jun 93

[Text] Foreign Minister Squadron Leader Prasong Sun-siri is confident that leaders of the Cambodian factions will be able to reconcile to form a government. Speaking to newsmen after returning from a visit to Laos on 6 June, the foreign minister said Thailand will not meddle in the formation of a government in Cambodia because it is an internal affair of that country. Thailand will only give moral support. He said Cambodia has a long history of internal disputes and, therefore, should be given time so that the Cambodians can talk among themselves as brothers without interference from the outside.

The foreign minister said he is concerned about the internal problems in Cambodia and does not want to see divisiveness. He believes that eventually the Cambodians will be able to reconcile their differences somehow in accordance with existing rules. He said the ASEAN countries will meet in July on the Cambodian problem. All anyone can do now is follow the developments.

Army Chief Discusses Cambodian Situation, Border

BK0706152793 Bangkok Radio Thailand Network in Thai 1200 GMT 7 Jun 93

[Text] Army Commander General Wimon Wongwanit spoke with newsmen this afternoon at the Army Conference Hall on the situation in Cambodia after the election. He believes the situation will turn out well and the

Cambodians will be able to form a national government because it is their common desire to forge peace and tranquillity, which will be followed by drafting of the constitution. Things should turn out smoothly as all Cambodian factions will turn to cooperate with each other.

On the situation along the Cambodian border, Gen. Wimon said the current situation is no cause for concern; all is peaceful. The soldiers will carry out their duties as normal as far as safeguarding against intrusion, crime, and gun trading are concerned. These are their assigned duties. There has been no addition of new Thai troops to the border areas. He is confident that the situation in Cambodia will not be so serious as to affect the Thai border as in the past.

Paper: Sihanouk Element of Stability for Cambodia

BK0806023793 Bangkok *THE NATION* in English
8 Jun 93 p A6

[Editorial: "Let Sihanouk Form His Coalition Government"]

[Text] The crisis over Cambodia's UN-sponsored elections has deepened with the Phnom Penh government demanding a suspension of the results until its claims of irregularities are investigated.

Warning that it cannot accept results in at least five provinces, the government wants an independent committee to rule on its claims that ballot boxes had been broken, there were differences between the number of voters and votes cast, and that it lacked access to safe areas where the ballot boxes were being stored.

The Hun Sen government has accused the United Nations of interfering with and preventing the collection of evidence to prove fraud after the United Nations Transitional Authority in Cambodia (Untac) rejected a call to hold a new poll in those areas.

The plans of the Phnom Penh government appear increasingly linked to nominal head of state Prince Norodom Sihanouk's attempts to return to power immediately before the final election result.

With the government's Cambodian People's Party (CPP) trailing behind the main opposition Funcinpec [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party in the polls, it is inevitable that eventually we will see the CPP join a new interim coalition government with Sihanouk as prime minister. But Funcinpec's leader, Prince Ranariddh, who is also Sihanouk's son, is objecting to the sharing of power with the party he had beaten in the election.

The people are confused, he said. They voted for Funcinpec and now they see the same people they didn't want in office back in power. But Sihanouk is furious. In

an emotional televised address to the Cambodian people, he said Funcinpec was leading because it used his name.

"My coalition plan was aimed at avoiding bloodshed," Sihanouk told the people. "But because Funcinpec does not agree with it, the political parties are responsible for any tragic events that occur." Three countries in the so-called "Core Group" opposed Sihanouk appointing himself as prime minister before the vote count was finished and the elected assembly had even met to begin drawing up the constitution. The "Core Group" comprises ambassadors of 11 countries: the permanent five members of the UN Security Council (China, France, Russia, Britain, the United States) and the representatives of Australia, Canada, Germany, Indonesia, Japan and Thailand.

The idea of a government being established before the adoption of a constitution has always been a point of conflict between members of this group.

Without doubt, Sihanouk is deeply concerned about the sovereignty and integrity of Cambodia. However, the setting up of a provisional government based on a proportional representation of parties in the constituent assembly should take place after all the votes are counted, and not before.

The Core Group acts as a vigilant guardian of the 1991 Paris Peace Accords, but, sadly, some countries in the group are also trying to protect and further their own interests in Cambodia. The third agreement signed in Paris in 1991 states that the sovereignty of Cambodia should be respected at all costs, and this is precisely what Sihanouk is advocating.

The establishment of a provisional government before the constitution is drawn up would undoubtedly provide an element of stability in post-election Cambodia and help towards the integration of all parties as they learn to work together. After 23 years of war, the inclination to take revenge has to be prevented by trying to avoid situations which create winners and losers.

This might be hard for certain governments to understand, but it has to be realized that Cambodia is not ready for a Western-style abrupt change to democracy as yet. The country needs a smooth transition, and Sihanouk's proposal of a provisional government is certainly an answer to that.

Groups See No Negative Impact From Drug Protection

BK0806060793 Bangkok *BANGKOK POST* in English
8 Jun 93 p 19

[Text] The Pharmaceutical Producers' Association [PPA], the Community Pharmacists' Group and the Pharmaceutical Industry Group of the Pharmaceutical Association of Thailand believe that patent protection

and pipeline protection will neither have a negative impact on the production of medicines nor adversely affect prices.

The Pharmaceutical Producers' Association (PPA) claims that the Patent Act which has been effective since September 30 does not protect any pharmaceuticals now marketed in Thailand.

Therefore, companies making copy drugs can do so "legally". There is no legal basis to stop their operations and thus no reason for prices to rise.

The PPA said in a statement that pharmaceuticals have a fixed patent life and that each year numerous medicines reach the end of their cycle and are available for local generic companies.

The imitation process, however, is subject to the availability of the raw material chemicals on the world market because Thailand cannot produce them.

The availability of copy drugs from Eastern Europe, China and Russia will end soon because these countries have revised their patent laws.

Protection for medicines in the pipeline, whatever its duration, can only protect new drugs. Each year makers of only 20 new chemical entities already registered abroad apply for registration in Thailand.

Most of the new drugs have a market value of no more than one million baht in their first year on the market, according to the PPA.

Premier Leaves for Laos, To Sign Economic Accords

BK0406085793 Bangkok Radio Thailand Network in Thai 0530 GMT 4 Jun 93

[Text] Prime Minister Chuan Likphai led a delegation to pay a three-day official visit to the Lao People's Democratic Republic from 4 to 6 June. His delegation left the Air Force Headquarters Airport on board a special plane at 0840 this morning. A Public Relations Department correspondent reports from the airport:

[Begin unidentified correspondent's recording] The prime minister's large entourage includes Cabinet ministers and senior government officials, such as Deputy Prime Minister Suphachai Phanitchaphak, Minister Attached to the Prime Minister's Office Sawit Phothiwihok, Foreign Minister Squadron Leader Prasong Sun-siri, Defense Minister General Wichit Sukmak, Supreme Commander Air Chief Marshal Woranat Aphichari, private sector representatives from the Board of Trade, the Thai Industrial Federation, and the Thai Bankers' Association; and mass media representatives.

Talking to reporters prior to his departure, Prime Minister Chuan said that during his visit to the LPDR, a brotherly neighbor country of Thailand, agreements on energy cooperation and joint investment will be signed.

The construction of a second Thai-Lao bridge across the Mekong River will be discussed during the visit. [end recording]

Meets Thai Residents in Vientiane

BK0606082593 Bangkok Radio Thailand Network in Thai 0000 GMT 6 Jun 93

[Text] Prime Minister Chuan Likphai talked to some 100 Thai people at the Thai Embassy in Vientiane yesterday on the occasion of his visit to the Lao People's Democratic Republic.

The prime minister said he believed that Thai residents in Laos were very well informed about developments in Thailand because the Thai and Lao peoples regularly visit each other. However, he asked the Thai residents to honor the Lao people and their country, as Thailand and Laos are brotherly countries and the people respect the dignity of their respective countries.

The prime minister noted that his visit to Laos would help enhance the further strengthening of the relations of the two countries. Furthermore, he emphatically urged Thai residents in Laos to act appropriately and not to crave only for benefits. One who lives in another country should also do something useful for that country. Additionally, the prime minister asked the Thai people to nurture good relations and have a positive attitude toward the Lao people.

Returns 6 Jun

BK0606144593 Bangkok Radio Thailand Network in Thai 1200 GMT 6 Jun 93

[All passages within quotation marks are recorded]

[Text] Prime Minister Chuan Likphai and his entourage had a brilliantly successful three-day visit to the Lao People's Democratic Republic, a close neighbor of Thailand, and arrived back in Bangkok at 1755 [1055 GMT]. Greeting the prime minister upon his arrival at the airport were a large number of high-level officials.

Deputy Prime Minister Suphachai Phanitchaphak and Foreign Minister Squadron Leader Prasong Sun-siri told the news conference about their objectives during the visit to Laos.

The prime minister told reporters about the result of his visit to Laos. He said:

"The visit was aimed at strengthening the existing good relations between the two close neighboring countries. Thailand and Laos are like close relatives. Laos is the first country I and my delegation have visited after our tour of the ASEAN countries. I had the opportunity to meet with Laos' President Nouhak. During my meeting with Prime Minister General Khamtai, I emphasized the good relations between our two countries. In particular, he mentioned the visits to Laos of members of the Thai

Royal Family which, he said, further strengthened the good relations between our two countries."

Touching on Thai investment in Laos, the prime minister said:

"Thailand is the top investor in Laos. In addition to those who have been living in Laos, many businessmen from nearby provinces and Bangkok went with us to hold a consultative meeting with our Lao counterparts in Vientiane yesterday. We divided ourselves into three working teams to hold talks on different topics with the Lao leaders, as the deputy prime minister and foreign minister have informed you. Meanwhile, general issues were brought up for discussion with the Lao prime minister. I believe that everything proceeded smoothly. Laos is now an open country, particularly in the economic development area. The signing of the agreements on cooperation in investment and the development of electricity will serve the common interests of the two countries. We want to buy electricity and Laos wants to sell the energy to us. If there is no buyer, Laos cannot produce the energy. However, this will be a long-term project. Laos wants investment in the fields it deems necessary. Further consultations on investment cooperation will be held."

Regarding the consultative meeting between the Thai and Lao businessmen, the prime minister said:

"Thai investors are interested in investment in Laos because Laos is close to Thailand."

Prasong Details Talks

BK0606151393 Bangkok Radio Thailand Network in Thai 1200 GMT 6 Jun 93

[Statement by Foreign Minister Squadron Leader Prasong Sunsiri, who accompanied Prime Minister Chuan Likphai on an official visit to Laos from 4 to 6 June, delivered at a news conference in Bangkok on 6 June—recorded]

[Text] In his statement Foreign Minister Squadron Leader Prasong Sunsiri told reporters:

[Begin Prasong recording] I held a consultative meeting with the Lao foreign minister in Bangkok on 28 May. At the meeting, held during the prime minister's visit to Laos, we talked about the details of the topics we discussed at our Bangkok meeting. The first issue was about the next meeting of the Thai-Lao joint commission to be held in Luang Prabang around August or September. The exact date of the meeting, a short one, will be decided later. However, we will touch on general issues pertaining to the expansion of cooperation and relations between the two countries in political and other areas. The second issue was about the Thai-Lao border line, especially in the disputed areas between Boten and Chat Trakan Districts or in the vicinity of our Romklao

village. The two sides agreed in principle to have technical officials of the two countries hold more consultations. I told the Lao side that I will inform Deputy Foreign Minister Surin Phitsuwan about the result of our meeting since the latter is in charge of this issue. The third issue was about the Lao side's request for Thailand to extend the period of stay for Lao students in Thailand. We have accepted the matter for serious consideration by the government. At the same time, we informed the Lao side about the frequent complaints from our business people concerning the delay and inconveniences they encountered in having their passports and documents processed by Lao officials.

Since Laos and Thailand are neighboring countries, contacts between our two people will increase day by day. I proposed that passports and travel documents of government officials and diplomats be exempted from entry visas. The Lao side has accepted the issue for further consideration. The fourth issue was about the setting up of a joint working team or committee for the exchange of information and views on the rapidly-changing situation in the world or region that may affect our two countries. We only discussed the general idea. However, the matter will be considered at the joint meeting in Luang Prabang. The next issue was about the Cambodian problem. In short, both Thailand and Laos share the identical opinion that we are neighboring countries of Cambodia. We have good intentions toward Cambodia. We want durable peace on the basis of national reconciliation for Cambodia. Therefore, we are closely watching the situation in that country. [end recording]

Visit Eases Way for Investors

BK0806030393 Bangkok THE NATION in English 8 Jun 93 pp B1, B6

[By Wichi Sirittawiphon]

[Text] Thai companies should find it easier to acquire existing Laos operations or to find locations in which to set up utilities or expand in the country, following last week's visit by Prime Minister Chuan Likphai and a team of ministers.

It's widely understood that the visit, from June 4-6, managed to bridge some of the bad-feeling which has existed between the two for some time.

One of its more tangible results was the signing of a Memorandum of Understanding [MOU] stating that the two countries will cooperate to produce an energy supply.

The Thai and Lao governments also agreed to mutually promote the investment.

A common language and culture and a shared history are supportive fundamentals for further cooperation. But

Thai investors have tended to overlook investment prospects in Laos, a land-locked neighbour, in the past as possible interference by its socialist government was a major concern.

But those days are gone. Instead, Laos now finds itself as a potential power supplier for Thailand.

The MOU, signed by the Prime Minister's Office Minister Sawit Phothiwihok and his Lao counterpart, assures Thailand that Laos will supply 1,500 megawatts of hydroelectricity—representing five per cent of Thailand's total energy needs—in the next seven to 10 years.

Sawit said that the signing of the MOU was not designed to fill in our (Thailand's) demands, but the figure would be included in the Electricity Generating Authority of Thailand's (Egat) calculations as it seeks to develop the country's energy sources.

The Laos hydroelectricity project, therefore, is extremely important to Thailand.

In the first stage, Egat will help the Lao authorities to survey the construction site for the electricity production project as well as assess the capacity of each dam. In the second, Egat will cooperate on the project's security system and troubleshoot any problems.

Sawit said that the electricity fees will be a major source of revenue for Laos in the future. Later, the Thai government will encourage the Thai private sector to participate in the hydroelectricity project.

He estimated that the project would cost Bt [baht] 45 billion-Bt50 billion. Sawit added that, to date, various overseas investors have approached the Lao government to take part in the programme.

Apart from the MOU signing, the Thai government is also bargaining with Lao officials over electricity prices. It is expected that they will be set in the next six months.

The Thai government has also signed an agreement to cooperate in investment areas. Under its terms, the two countries will exchange information and officials in order to promote investment between the two.

Chuan also suggested to Lao leaders that the two should cooperate on transport links. The Thai Prime Minister also proposed the construction of railway to link Nong Kai with Vientiane, the capital of Laos.

Officials from both states are studying the feasibility of the project.

The leaders of the two states are also discussing tariff exemptions in order to help promote Thai-Lao trade. In the past, Thailand has served as a route to seaports for Lao goods.

However, in future the area along the Thai-Lao border might be promoted as a free-trade zone. The Thai government has already axed tariffs on certain Lao imports such as wooden furniture.

Rice Deal Closed With Philippines

BK0806024393 Bangkok THE NATION in English
8 Jun 93 p B2

[By Atchara Phongwutthutham and Aphisak Thanasetthakon]

[Text] Over the next month Thailand will deliver 200,000 tonnes of 35 per cent Thai rice to the Philippines in a barter trade deal for its fertilizer, a Commerce Ministry source told THE NATION.

"According to the agreement, we are to deliver everything within a month from mid-June," the source said.

The Thai government had earlier agreed to barter Bt [baht] 40 million of Thai rice for the Philippines' fertilizer: the deal was done on a government-to-government basis.

"The 200,000 tonnes will come from Marketing Organization for Farmers (MOF), the Bank for Agriculture and Agricultural Cooperatives (BAAC) and the Commerce Ministry's Foreign Trade Department stocks," the source said.

"The Ministry of Agriculture and Cooperatives will be assigned to see which type of fertilizer we want from the Philippines," the source said.

"There is talk that we will get fertilizer worth twice the amount of the rice we sold to the Philippines."

According to the source, the government has to deliver the rice promptly the Philippines as it needs to lower the price by as much, and as soon, as possible to increase the price of domestic paddy.

Meanwhile, MOF Director Nippon Wongtra-nga has proposed the Cabinet sells 150,000 tonnes of rice to North Korea on credit.

According to Nippon, 100,000 tonnes will be 15 per cent white rice at US\$186 per tonne, and another 50,000 tonnes will be premium A-1 broken rice at US\$165 per tonne. Both will be paid for under a two-year installment payment and at 7.5 per cent.

"We hope to be able to deliver rice to North Korea this June. It will take two months—until August—to do so," said Nippon.

However, if North Korea fails to pay on time, it will be charged an additional two per cent interest.

"We expect this sale will help release domestic stocks to overseas market and eventually push up the paddy price," Nippon commented.

He added that his agency is currently negotiating with Bangladesh and India in an effort to tie up separate deals with both.

PRC Agrees To Buy Rubber, Deal With CIS

*BK0806021193 Bangkok THE NATION in English
8 Jun 93 p B2*

[By Atchara Phongwutthitham]

[Text] Deputy Commerce Minister Churin Laksanawisit has succeeded in persuading the Chinese government to buy rubber worth Bt [baht] 600 million from Thailand.

The sale will mark the largest lot of rubber the Thai government has ever sold to China on a government-to-government basis.

Churin yesterday said, after returning from China, that the Chinese government will buy a total of 32,500 tonnes of smoked rubber worth about Bt600 million. The delivery date is set between July-December this year.

"It is the government-to-government deal with the most rubber ever sold between the two governments. Besides, it is the real deal, not just an MOU (memorandum of understanding)," Churin said.

Apart from selling rubber, Thailand and China also agreed on other two issues: a trilateral rubber deal between the two and the Commonwealth of Independent States; and an agreement to barter Thai rubber for Chinese fertilizer.

In the trilateral deal, China will act as a mediator to sell Thai rubber to the CIS.

"China will send its representatives to talk with CIS this week. If successful China will be an important ally for Thailand as the relationship between the two is quite close," said Churin.

According to him, the government is looking for more new overseas markets for rubber exports, to help lessen the plunging price of domestic rubber.

"The government is giving importance to the larger European markets. For example, I talked with Poland's trade commission yesterday and was informed that a rubber firm in Poland is interested in buying a monthly 1,300 tonnes of latex rubber—a concentrated liquid rubber—from Thailand for a year," Churin said. [Bangkok BANGKOK POST in English on 8 June, in a similar story on page 26, adds: "The Polish importer was also interested in importing Thai smoked rubber sheets about which negotiations would be held next month."]

Editorial: ASEAN Needs To Settle Spratlys Dispute

*BK0806061793 Bangkok BANGKOK POST in English
8 Jun 93 p 4*

[Editorial: "Spratlys Row Threat to Regional Peace"]

[Text] Despite the soothing assurances flowing out of Manila after last week's three-day low-level meeting, ASEAN would be premature in assuming that any real

progress had been made in settling the dispute over the mineral-rich Spratly Islands. Beneath the veneer of smiles old antagonisms still exist. The uninhabited chain of atolls may look insignificant on a map or to visitors but their location, halfway between southern Vietnam and the Philippines, makes them strategically important. The likelihood that oil and gas reserves lie beneath them makes them a prize to the six nations which claim them. This feud has been simmering for 20 years and, sooner or later, matters will come to an unpleasant head. Just how unpleasant remains somewhat hazy, but scarcely-veiled threats of violence hang over the island group. Last week's diplomatic manoeuvring which followed ASEAN's call for peaceful negotiations among the six nations which claim the Spratlys is well-taken, well-intentioned and well-timed. But more positive and stronger diplomacy may be needed, and soon.

Beijing, though it says it favours a peaceful resolution to the problem, has passed a controversial law re-asserting its claim to the entire Spratly chain and reserving the right to use military force there. Legally and morally questionable as it may seem, this step has legalised for Beijing further Chinese moves to step into a vacuum created by the departure of the American Navy from the Philippines. Last year Vietnam angrily protested when China signed a deal with US based Crestone Corporation to explore for oil in a section of the area Hanoi says belongs to the continental shelf. In the eyes of ASEAN and many of its friends this was an untimely and unfortunate move.

Six nations, including three members of ASEAN, claim the remote Spratlys. Military garrisons from Taiwan, Vietnam, the Philippines and Malaysia dot the spread-out archipelago, and Chinese warships are a common sight. Brunei is the only claimant without a military presence in the area. Vietnamese and Chinese ships have already fought skirmishes in the island chain and scores of casualties have been reported. China's long-standing threat to move oil-drilling teams into the disputed waters has kept the political heat up. Not since the Chinese navy swept through Vietnamese defences on the Paracel Islands in 1973 has a dispute in the South China Sea been so dangerous to regional peace.

The feeling of trepidation expressed by ASEAN at its ministerial summit last year is shared by the United States which fears a sudden outbreak of violence, possibly caused by China enforcing questionable territory seizures with recently-acquired warplanes and an aircraft carrier. Indeed, Southeast Asian governments are clearly upset with this vision of the future.

The only acceptable solution to the Spratlys dispute is a diplomatic one. This means negotiations, probably protracted, with all parties pledging to forego war as a means of settling the disagreement. No doubt, each country claiming the Spratlys feels its claim is legitimate. But ASEAN has specifically rejected the argument that "might is right" within its territory. A Chinese military attack on the Spratlys could only be seen as a major

threat to the ASEAN area by all 10 nations of Southeast Asia—ASEAN, Indochina, and Burma.

Most likely, two steps will have to be taken to assure that the dispute over the Spratlys does not get out of hand. ASEAN's Manila Declaration of Principles on the South China Sea laid the groundwork for intense diplomatic pressure upon Beijing to refrain from provocative acts in the region. Specifically, China should totally forget—not merely postpone—any plans, now or in the future, to move oil rigs into the Spratlys until other countries agree.

In addition, concerned countries—in Southeast Asia and in the Spratlys—should consider moving the island disagreement into the hands of a negotiator. This could be the United Nations, a neutral group of countries acceptable to all sides, or even a single, respected diplomat.

Clearly any thought of military action should be viewed with alarm and concern. The desire to settle the argument over ownership of the Spratly Islands is understandable, but use of armed forces is not. The Chinese attack which won them the Paracels from Vietnam 20 years ago touched off a chain of violence between Hanoi and Beijing that has taken a long time to halt. The parties to the Spratlys dispute must settle their differences peacefully. Low-level, unofficial fireside chats between the contenders and their friends—such as the ones last week—are not going to achieve any lasting settlement. Nor is the decision to mount a scientific expedition “to enhance cooperation”. China's objections to “internationalising” the dispute amount to little more than playing word games because the issue moved into the global arena a long time ago. A fair-minded mediator is needed and intensive discussions on the most suitable candidate should have topped last week's agenda in Manila, no matter how anxious the participants were not to cause offence or increase controversy.

Vietnam

U.S. MIA Archive Center Set Up in Hanoi

*BK0806120893 Hanoi Voice of Vietnam in English
1000 GMT 8 Jun 93*

[Text] An archive center has been established in Hanoi to help seek the destiny of U.S. personnel missing in the Vietnam war.

Vietnam hopes that this center will help it discover the fate of about 300,000 Vietnamese soldiers missing during the war. The U.S. agreed that this center will be beneficial to both sides.

Cooperation With EC Countries Reviewed, Hailed

*BK0806125693 Hanoi Voice of Vietnam in English
1000 GMT 8 Jun 93*

[Station commentary]

[Text] The last two years have seen much progress in relations between Vietnam and the EC countries. High-ranking delegations of EC countries have visited Vietnam.

Earlier this year, French President Francois Mitterrand made an official visit to our country. He was followed by German Foreign Minister Klaus Kinkel and Belgium Vice Premier and Foreign Minister Willy Claes. Many senior officials of the European Parliament and its organizations have also come. During these visits, all expressed support for Vietnam's renovation policy and wished to strengthen assistance and support to Vietnam.

Leaders of the Southeast Asian Department of the European Community declared: We feel that Vietnam has made much effort to renovate its economy. It is now time for us to support Vietnam in this effort.

From 1985 to 1992 the value of Vietnamese export goods to European countries increased from \$84 to \$240 million, especially over the last two and a half years. Textile goods increased by 200 percent. However, EC assistance is not limited to trade. Financial help for projects generating jobs for Vietnamese repatriates and local people increased from \$23 million in 1991 to \$32 million in 1993.

The EC has signed an agreement to promote European investment in Vietnam. The FAR EASTERN ECONOMIC REVIEW said although this agreement will not take effect before autumn, its programs have been deployed in the meantime to provide Vietnam with technical assistance to facilitate its shifting to the market economy. The EC further hopes to persuade the European Investment Bank to invest in energy services and infrastructure projects in Vietnam.

Military Delegation Returns From Indonesia 6 Jun

*BK0706161393 Hanoi VNA in English 1402 GMT
7 Jun 93*

[Text] Hanoi VNA June 7—A Vietnamese military delegation led by General Doan Khue, minister of defence, returned here on June 6, concluding a five-day official friendship visit to Indonesia.

While in Indonesia, the Vietnamese delegation called on President Suharto, Vice President Try Sutrisno and Foreign Minister Ali Alatas. It held talks with high-ranking officers of the Indonesian Armed Forces.

The delegation also paid tribute to war martyrs at the Kalibata cemetery in Jakarta.

From June 4-6, it visited the eastern fleet, the PAL shipyard and the command of the fifth military zone.

General Khue and his party also visited Bali, a well-known tourist city of Indonesia, and the Kintamani Volcano on the suburbs of Bali.

The Vietnamese delegation was given sincere hospitality wherever it visited, which constitute a new, vivid expression of the friendship and cooperative relations between the countries and Armies of Vietnam and Indonesia.

Ho Chi Minh Citizen Office for Complaints Opens

BK0806075393 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 7 Jun 93

[Text] The Government Office issued a notice on 4 June regarding the tasks of receiving and settling citizens' complaints and denunciations. Details are as follows:

1. The Central Citizen Reception Office, which opened in Hanoi and has been operating since 5 January 1990, continues to operate at the premises of No. 1, Mai Xuan Thuong St, Hanoi.
2. For the convenience of citizens living in southern provinces, who want to lodge complaints and petitions, the Citizen Reception Office of the party Central Committee and the State for the southern provinces will be opened at No. 53, Tran Quoc Thao St, 3d District, Ho Chi Minh City. The office will begin operations on 15 June 1993.

Politburo Members Attend Environment Ceremony

BK0706160893 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 6 Jun 93

[Text] The Environmental Committee of Hanoi and the Petroleum Corporation of Zone One on 6 June organized a tree-planting ceremony to mark the world environment day and to start a week-long campaign to improve the capital's environment.

Attending the ceremony were Comrades Nong Duc Manh, member of the Communist Party of Vietnam [CPV] Central Committee Political Bureau and chairman of the National Assembly; Pham The Duet, member of the CPV Central Committee Political Bureau and secretary of the Hanoi party committee; Nguyen Khanh, member of the party Central Committee and deputy prime minister; Dang Huu, minister of science, technology and environment; Le Van Triet, minister of trade; and representatives of various sectors at the central level and in the capital city. A representative of the United Nations Development Program in Vietnam also attended the function.

National Assembly Chairman Nong Duc Manh visited the Dong Da Ward and, together with other leaders, planted trees for the occasion. The Dong Da Ward has been commended for its outstanding achievements in protecting the environment during the past period.

Economic Periodical Releases Renovated Edition

BK0806093393 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 3 Jun 93

[Text] The VIETNAM ECONOMY periodical, which is owned by the Vietnam Economists Society, held a cordial get-together on 1 June to mark the debut of its first renovated edition which has the technical cooperation in printing and publishing of (Binger), one of the world's largest and most modern media consortiums in Switzerland.

Attending were many professors, economists, and journalists. The Swiss ambassador to Vietnam was also present at this get-together.

VIETNAM ECONOMY has entered its third year of operation and has so far released nearly 40 issues which are considered a travel companion of Vietnamese and foreign businessmen, of economic researchers and managers, and of other economic components.

With cooperation in printing and publishing from (Binger), the quality of this periodical has been highly appreciated since the time when its first renovated edition was released in June 1993. It is certain that this cooperation will provide VIETNAM ECONOMY with more experience and conditions to catch up with the progress of the world media to become a well-informed economic guide for a broad section of the masses.

Jun 93 TAP CHI QUOC PHONG TOAN DAN Reviewed

BK0806092593 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 6 Jun 93

[Summary] In the June 93 issue, TAP CHI QUOC PHONG TOAN DAN carries articles dealing with our Army's mass mobilization work under the new situation. These include:

- "Article by Lieutenant General Le Hai, deputy director of the General Political Department: Let our Army strive to satisfactorily perform its military functions and mass motivation work under the new situation.
- "Article by Comrade Nguyen Dinh Quang, member of the party Central Committee and secretary of the Ha Tay provincial party committee: Ha Tay develops the strength of the Army-people solidarity to help build a national defense and security network for the safeguarding of the fatherland.
- "Article by Major Nguyen Minh Tuc dealing with our Army's mass mobilization work."

To help make a study of the political system in our country and to prepare for implementing the party Central Committee's fifth plenum resolution on agriculture, rural areas, and peasants, the journal also carries an article by Comrade Hong Nam entitled "Despite new political changes, the administration still remains in the

laboring people's hands;" and an article by Comrade Mai Xuan Yen, chief inspector of the General Department of Land Management entitled "Thinking about the management of land in the present renovation process."

Found in the "New thinking about national defense duty" section are the following:

—"Article by Senior Lieutenant General Bui Nhat Man: Renovate the task of training reserve officers.

—"Article by Colonel Le Tien Lam: Training reserve officers at various colleges—problems and suggestions."

To help seek a profound understanding of the standpoints of the Military Commission of the party Central Committee and the Ministry of National Defense on the need to prevent division in the Army, the journal carries the following articles:

—"Article by Major General Pham Suu reviewing practical experience in making all brigades comprehensively firm and strong.

—"Article by Colonel Tran Binh Ngoan: Establish a regular pattern for the B-25 group to ensure its combat readiness.

—"Article by Comrade Nguyen Vi Hung: Establish a regular pattern among army schools."

Also found in the "Exchange of views and experiences" section are:

—"Article by Major General Duong Minh Ngo: Four issues concerning providing the contingent of cadres at the high-level military institute with comprehensive training and advance training.

—"Article by Colonel Vu Dinh Do and Major Nguyen Ngoc Kim: Lao Cai and the task of making the grass-roots and village levels firm and strong in politics and national defense and security.

—"Article by Colonel Nguyen Duc Hanh, head of the Thai Binh provincial military command: Dong Hung district builds a defense zone for Thai Binh Province."

In the "Commentary" section, there is an article by Lieutenant General Vu Khac Truan: The third world—challenges and opportunities.

In the "Foreign military data" section there is an article by Comrade Hoang Chuong: The arms market in Southeast Asia—a new component of the post-cold war arms race.

Australia

'Intensive Investigation' Leads to Spying Charges

*BK0406084693 Hong Kong AFP in English 0717 GMT
4 Jun 93*

[Text] CANBERRA, June 4 (AFP)—An alleged spy appeared in court here Friday charged with 22 offences relating to the removal of documents from Australia's intelligence agency, the Australian Security Intelligence Organisation (ASIO), official sources said. The man, an Australian who is believed to have worked for the former Soviet Union, appeared in a closed session of Canberra Magistrates Court Friday afternoon and is understood to have been remanded to appear again on June 18.

A statement issued jointly by Attorney General Michael Lavarch and Justice Minister Duncan Kerr said the man had been charged following an intensive investigation by the Australian Federal Police and ASIO. According to the charges, removal of the documents was for a purpose "intended to be prejudicial to the safety of the Commonwealth, those documents likely to be directly or indirectly useful to a foreign power".

Few other details have been officially disclosed, although other sources told AFP the man is Australian and the alleged offences go back some years. The sources agreed he may have worked for the former Soviet Union.

This is believed to be the first time an Australian has been charged with espionage offences committed inside Australia—although there have been other spy scandals, notably the Petrov affair of 1954.

The statement said it would be alleged "that there was a systematic removal of documentation from ASIO and 22 charges have been laid." They related to three categories of offences within the espionage section of the Crimes Act.

The man faces:

- 10 charges of removing documents contrary to his duty.
- Six charges of removing documents for a purpose intended to be prejudicial to the safety of the Commonwealth of Australia contrary to his duty to retain such documents.
- Six charges of removing documents for a purpose intended to be prejudicial to the safety of the Commonwealth, those documents likely to be directly or indirectly useful to a foreign power.

The statement said no charges had been laid against anyone else but that further inquiries were being conducted by investigators from a joint police and ASIO team.

A spokesman for Kerr said no further details of the case could be revealed because the matter was now before the courts and because the investigation was continuing. Details of the man's name and other personal details had

been suppressed by the Canberra magistrate. Kerr said the arrest had followed a lengthy investigation of which the attorney-general and justice minister had been kept informed.

Russian Envoy Faces Expulsion

*BK0806063093 Hong Kong AFP in English 0603 GMT
8 Jun 93*

[by Jack Taylor]

[Text] SYDNEY, June 8 (AFP)—A Russian embassy official is understood to be facing expulsion from Australia in the wake of the arrest and court appearance last week of a Canberra-based civil servant on espionage charges. Expulsion of the diplomat is reported to have been proposed to Foreign Minister Gareth Evans as an option while Canberra re-examines its security following the discovery of a mole at the heart of its intelligence network.

Although it is a highly sensitive issue on which it was impossible Tuesday to obtain official comment, one well-placed source confirmed to AFP that a Russian was involved in the matter. His or her name and rank is not known.

The Australian arrested last week is a Russian linguist who reportedly worked for more than 20 years as an interpreter for the Australian Security Intelligence Organisation (ASIO).

A decision on expulsion of the Russian would be a matter for a group of senior ministers, including Evans, who make up the security committee headed by Prime Minister Paul Keating. But the government is in a quandary about taking any action against post-Cold War Russia, despite a feeling that an example should be made of the Russian official in the present circumstances.

Allegations that the Australian was a former Soviet mole came to light last Friday following his appearance in closed session before a Canberra magistrate on 22 charges of espionage. The charges, which sources say date back many years, relate to the alleged removal of classified documents from inside ASIO. The man faces 10 charges of removing documents contrary to his duty, six of removing documents for a purpose intended to be prejudicial to Australia's safety and six of removing documents likely to be directly or indirectly useful to a foreign power. He was granted bail and committed to appear again on June 18. His arrest, believed to have been the result of a tip-off from overseas about six months ago, followed an intensive investigation by officers of the Federal Police and ASIO.

The Australian, who had top security clearance, is said to have had a thorough knowledge of Australia's counter-espionage operations and of ASIO's operational details, particularly those relating to Russian affairs. According to the charges, removal of the documents was for a purpose "intended to be prejudicial to the safety of the

Commonwealth, those documents likely to be directly or indirectly useful to a foreign power".

An official government statement said it would be alleged "that there was a systematic removal of documentation from ASIO and 22 charges have been laid." They related to three categories of offences within the espionage section of the Crimes Act.

ASIO, always a controversial organisation, was established while the Cold War was developing in 1949 as a counter-intelligence body which targetted the perceived dangers of communist subversion and Soviet bloc spying. Britain's former intelligence agent Peter Wright, author of the book "Spycatcher" of which the British government tried to stop publication, claimed former MI5 chief Sir Roger Hollis was a Soviet mole who had an advisory role in the establishment of ASIO.

ASIO's official media spokesman declined Tuesday to confirm or deny that a Russian diplomat is facing expulsion.

Dollar Plunges Despite Central Bank Intervention

BK0806124793 Hong Kong AFP in English 1044 GMT 8 Jun 93

[Text] Sydney, June 8 (AFP)—Intervention by the central Reserve Bank of Australia (RBA) failed to halt the Australian dollar's nosedive on Wednesday [as received] when it revisited a record low on the trade-weighted index and a new low against the yen. It fell to 67.23 U.S. cents from 67.38 on Monday despite the RBA's intermittent Australian dollar-buying at around 67.10 cents in afternoon trade, dealers said.

"The RBA was determined to stop the currency from sliding below 67.00 U.S. cents," a dealer said.

Another trader said the domestic dollar weakness was linked primarily to the stronger yen, which also drove the U.S. dollar to a record low, initiating Bank of Japan buying of U.S. dollars in Tokyo in a bid to keep the U.S. unit above 106 yen. There was also market speculation of an offshore newspaper report which said Australia's foreign debt will double in the next five years.

"The market has been focusing on this report although no one knows for sure what it says," a dealer said.

Separately, a report by economic forecaster Syntec suggesting interest rates should be cut is likely to put pressure on the currency overnight and in early trade on Wednesday, dealers said. Syntec said rates should be cut by one percentage point to 4.25 per cent despite the downward pressure such a move would exert on Australia's already weak currency.

The domestic dollar touched to a new intraday low of 71.25 yen, sliding below a previous trough of 71.67 yen on June 1. It ended off the low at 71.42 yen from a previous 72.41.

"The U.S. dollar/yen remains the key," said Westpac corporate foreign exchange dealer Paul Bryan. "A lot depends whether the (Bank of Japan) can put a floor under the U.S. dollar."

Foreign Debt Drops for First Time in 3 Years

BK0306072293 Melbourne Radio Australia in English 0500 GMT 3 Jun 93

[Text] Australia's net foreign debt has fallen for the first time in almost three years. (Adrian First) reports:

[Begin (First) recording] As at the end of the March quarter, the nation's net debt to the rest of the world stood at \$160.6 billion [Australian dollars]—down at 3.9 percent on the revised December quarter figure of \$167.1 billion.

The Bureau of Statistics says the main contributor to the fall has been a drop of \$6.8 billion in the level of foreign borrowing and that reflects repayment of debt during the quarter by both the public and private sectors.

The ratio of net foreign debt to GDP now stands at 40.6 percent—down 1.9 percent. A further encouraging sign is a 1 percent drop in the debt servicing ratio to 13.3 percent. [end recording]

Cook Stresses Need To Restructure Economy

BK0406085393 Melbourne Radio Australia in English 0500 GMT 4 Jun 93

[Text] The Australian trade minister has said Australia needs to continue the internal restructure of its economy if it is to combat the long-term danger of Russia becoming a competitive commodity exporter.

Senator Cook was speaking in Paris where he attended this week's meeting of the Organization for Economic Cooperation and Development. He said Russia's potential as a commodity producer highlighted the need for Australia to complete economic restructuring and diversity in its exports in order to remain an efficient exporter of agricultural and mineral resources.

According to Sen. Cook, the Russian Far East has about 50 percent of world coal supplies, 30 percent of world gas supplies, and 50 percent of the whole of Eastern Europe's oil supplies. He said this resource-rich area neighbors Australia's most significant mineral and energy export markets in South Korea and Japan.

Sen. Cook said Russia's potential to emerge as a competitive exporter in about 25 years would be assisted by foreign aid which was likely to continue because Western Europe and Japan did not want a region of instability on their doorstep.

